



## **INDEPENDENT AUDIT REPORT**

To the Minister for Industry, Science and Resources

### **Scope**

I have audited the financial statements of the Australian Surveying and Land Information Group for the year ended 30 June 2001. The financial statements comprise:

- Statement by the Chief Executive;
- Statements of Financial Performance, Financial Position and Cash Flows;
- Schedules of Commitments and Contingencies;
- Notes to and forming part of the Financial Statements.

The Chief Executive is responsible for the preparation and presentation of the financial statements and the information they contain. I have conducted an independent audit of the financial statements in order to express an opinion on them to you.

The audit has been conducted in accordance with Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards, to provide reasonable assurance as to whether the financial statements are free of material misstatement. Audit procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with Australian Accounting Standards, other mandatory professional reporting requirements and statutory requirements in Australia so as to present a view of the entity which is consistent with my understanding of its financial position, the results of its operations and its cash flows.

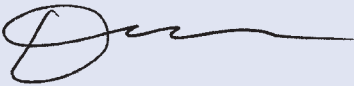
The audit opinion expressed in this report has been formed on the above basis.

## **Audit Opinion**

In my opinion,

- (i) the financial statements have been prepared in accordance with Schedule 1 of the Financial Management and Accountability (Financial Statement 2000-2001) Orders; and
- (ii) the financial statements give a true and fair view, in accordance with applicable Accounting Standards, other mandatory professional reporting requirements and Schedule 1 of the Financial Management and Accountability (Financial Statement 2000-2001) Orders, of the financial position of the Australian Survey and Land Information Group as at 30 June 2001 and the results of its operations and its cash flows for the year then ended.

Australian National Audit Office



David C. McKean  
Executive Director

Delegate of the Auditor-General

Canberra  
17 September 2001



**INDUSTRY  
SCIENCE  
RESOURCES**

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**DEPARTMENT OF INDUSTRY SCIENCE AND RESOURCES**

**AUSTRALIAN SURVEYING AND LAND INFORMATION GROUP**

**STATEMENT BY THE CHIEF EXECUTIVE**

In my opinion, the attached financial statements give a true and fair view of the matters required by Schedule 1 to the Financial Management and Accountability (Financial Statements 2000-2001) Orders made under section 63 of the *Financial Management and Accountability Act 1997*.

  
R A Higgins  
Chief Executive

12 September 2001

C O M P E T I T I V E A U S T R A L I A



STATEMENT OF FINANCIAL PERFORMANCE for the period ended 30 June 2001	Notes	2000-2001 \$'000	1999-2000 \$'000
<b>Revenues from ordinary activities</b>			
Revenues from government	2A	26,242	26,796
Sales of goods and services	2B	4,849	4,708
<b>Total revenues from ordinary activities</b>		<b>31,091</b>	<b>31,504</b>
<b>Expenses from ordinary activities</b>			
Employees	3A	7,941	7,244
Suppliers	3B	20,041	22,506
Depreciation and amortisation	3C	2,961	3,415
Write-down of assets	3D	29	18
<b>Total expenses from ordinary activities</b>		<b>30,972</b>	<b>33,183</b>
Borrowing cost expense	4	27	90
<b>Net operating surplus or (deficit) from ordinary activities</b>		<b>92</b>	<b>(1,769)</b>
<b>Net surplus or (deficit)</b>		<b>92</b>	<b>(1,769)</b>
<b>Equity interests</b>			
<b>Net surplus (deficit) attributable to the Commonwealth</b>		<b>92</b>	<b>(1,769)</b>
<b>Total changes in equity other than those resulting from transactions with owners as owners</b>		<b>92</b>	<b>(1,769)</b>

The above statement should be read in conjunction with the accompanying notes



**STATEMENT OF FINANCIAL POSITION**  
**as at 30 June 2001**

	Notes	2000-2001 \$'000	1999-2000 \$'000
<b>ASSETS</b>			
<b>Financial Assets</b>			
Cash	5A	2,098	905
Receivables	5B	823	488
Investments		8,037	8,037
<b>Total financial assets</b>		<b>10,958</b>	<b>9,430</b>
<b>Non-financial Assets</b>			
Buildings	9A,D	1,339	1,366
Infrastructure, plant and equipment	9B,D	5,300	6,202
Intangibles	9C,D	2,248	2,693
Inventories	9E	1,000	1,000
Other	9F	1,067	555
<b>Total non-financial assets</b>		<b>10,954</b>	<b>11,816</b>
<b>Total assets</b>		<b>21,912</b>	<b>21,246</b>
<b>LIABILITIES</b>			
<b>Interest bearing liabilities</b>			
Leases	6	0	387
<b>Provisions</b>			
Employees	7A	2,725	2,990
<b>Payables</b>			
Suppliers	8A	3,406	2,285
Other	8B	205	100
<b>Total payables</b>		<b>3,611</b>	<b>2,385</b>
<b>Total Liabilities</b>		<b>6,336</b>	<b>5,762</b>
<b>EQUITY</b>			
Capital		12,707	12,707
Reserves		660	660
Accumulated surpluses		2,209	2,117
<b>Total Equity</b>	10	<b>15,576</b>	<b>15,484</b>
<b>Current liabilities</b>		<b>4,872</b>	<b>3,740</b>
<b>Non-current liabilities</b>		<b>1,464</b>	<b>2,022</b>
<b>Current assets</b>		<b>13,025</b>	<b>10,985</b>
<b>Non-current assets</b>		<b>8,887</b>	<b>10,261</b>

The above statement should be read in conjunction with the accompanying notes



STATEMENT OF CASH FLOWS for the period ended 30 June 2001	Notes	2000-2001 \$'000	1999-2000 \$'000
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Appropriations for outputs		26,207	26,796
Sales of goods and services		5,080	4,566
GST Refunds		1,018	0
<b>Total cash received</b>		<b>32,305</b>	31,362
<b>Cash used</b>			
Employees		(8,206)	(7,226)
Suppliers		(20,875)	(19,386)
Borrowing costs		(27)	(90)
<b>Total cash used</b>		<b>(29,108)</b>	(26,702)
<b>Net cash from operating activities</b>	14	<b>3,197</b>	4,660
<b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Proceeds from sales of property, plant and equipment		0	18
<b>Total cash received</b>		<b>0</b>	18
<b>Cash used</b>			
Purchase of property, plant and equipment		(1,617)	(3,432)
Purchase of investments		0	(8,037)
<b>Total cash used</b>		<b>(1,617)</b>	(11,469)
<b>Net cash from investing activities</b>		<b>(1,617)</b>	(11,451)
<b>FINANCING ACTIVITIES</b>			
<b>Cash used</b>			
Repayments of debt		(387)	(352)
<b>Net cash used by financing activities</b>		<b>(387)</b>	(352)
<b>Net Increase/(decrease) in cash held</b>		1,193	(7,143)
Cash at the beginning of the reporting period		905	8,048
<b>Cash at the end of the reporting period</b>	5A	<b>2,098</b>	905

The above statement should be read in conjunction with the accompanying notes



SCHEDULE OF COMMITMENTS as at 30 June 2001	2000-2001 \$'000	1999-2000 \$'000
<b>BY TYPE</b>		
<b>CAPITAL COMMITMENTS</b>		
Infrastructure Plant and Equipment	1,027	0
<b>Total capital commitments</b>	<b>1,027</b>	<b>0</b>
<b>OTHER COMMITMENTS</b>		
Operating leases	13,706	2,648
IT support (Service level agreement)	2,640	3,900
<b>Total other commitments</b>	<b>16,346</b>	<b>6,548</b>
<b>COMMITMENTS RECEIVABLE</b>	<b>(1,579)</b>	<b>(400)</b>
<b>Net commitments</b>	<b>15,794</b>	<b>6,148</b>
<b>BY MATURITY</b>		
<b>All net commitments</b>		
One year or less	3,380	2,758
From one to two years	2,446	1,310
From two to five years	3,738	1,530
Over five years	6,230	550
<b>Net commitments</b>	<b>15,794</b>	<b>6,148</b>
<b>Operating Lease Commitments</b>		
One year or less	1,246	1,557
From one to five years	4,984	440
Over five years	6,230	550
<b>Net commitments</b>	<b>12,460</b>	<b>2,547</b>

NB: All 2000-01 commitments are GST inclusive where relevant

Operating leases included are effectively non-cancellable and comprise:

- leases for office accommodation

IT support (Service level agreement)

- Computer equipment held at 30 June 1998 which was sold and leased back on 1 July 1998.

#### SCHEDULE OF CONTINGENCIES

as at 30 June 2001

AUSLIG had no contingent gains, losses, or unquantifiable contingencies at 30 June 2001  
 (30 June 2000: Nil)

The above schedule should be read in conjunction with the accompanying notes



## Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 1.1 Departmental Objectives

The objective of the Australian Land and Information Group (AUSLIG) is, to ensure that Australia derives economic and social benefit from access to fundamental geographic information through partnership with industry and government.

AUSLIG operates within the Government's Outcomes and Outputs framework and reports under Output 2.4 within the Industry Science and Resources portfolio.

### 1.2 Basis of Accounting

The financial statements are required by section 49 of the *Financial Management and Accountability Act 1997* and are a general purpose financial report.

The statements have been prepared in accordance with:

- Schedule 1 to the Financial Management and Accountability (Financial Statements 2000-2001) Orders made by the Finance Minister for the preparation of Financial Statements in relation to financial years ending on or after 30 June 2001;
- Australian Accounting Standards and Accounting Interpretations issued by the Australian Accounting Standards Boards;
- Other authoritative pronouncements of the Boards; and
- Consensus Views of the Urgent Issues Group.

The statements have been prepared having regard to:

- Statements of Accounting Concepts; and
- the Explanatory Notes to Schedule 1 and Guidance Notes issued by the Department of Finance and Administration

The AUSLIG's Statements of Financial Performance and Financial Position have been prepared on an accrual basis and are in accordance with historical cost convention, except for certain assets which, as noted, are at valuation. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

The continued existence of the Agency in its present form, and with its present programs, is dependent on Government policy and on continuing appropriations by Parliament for the Agency's administration and programs

### 1.3 Changes in Accounting Policy

The accounting policies used in the preparation of these financial statements are consistent with those used in 1999-2000.



#### 1.4 Revenue

The revenues described in this Note are revenues relating to the core operating activities of the Agency.

*(a) Revenues from Government - Agency Appropriations.*

Appropriations for the Agency outputs are recognised as revenue to the extent that the Finance Minister is prepared to release appropriations for use (that is, the full amount of the appropriation passed by the Parliament less any savings offered up at Additional Estimates and not subsequently released).

*(b) Resources Received Free of Charge*

Services received free of charge are recognised in the Statement of Financial Performance as revenue when and only when a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense.

*(c) Other Revenue*

Revenue from the sale of goods is recognised on the delivery of goods to customers. Revenue from disposal of non-current assets is recognised when control of the asset has passed to the buyer.

#### 1.5 Employee Entitlements

*Leave*

The liability for employee entitlements includes provision for recreation leave and long service leave. No provision is made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of the Agency is estimated to be less than the annual entitlement for sick leave.

The liability for annual leave reflects the value of total annual leave entitlements of all employees at 30 June 2001 and is recognised at the nominal amount.

The non-current portion of the liability for long service leave is measured at the present value of the estimated future cash flows to be made in respect of all employees at 30 June 2001. In determining the present value of the liability, the Agency takes into account expected attrition rates and future pay increases through promotion and inflation.

*Superannuation*

Staff of the Agency contribute to the Commonwealth Superannuation Scheme and the Public Sector Superannuation Scheme. Employer contributions amounting to \$1,055,764 (1999-2000 \$1,047,528) in relation to these schemes have been expensed in these financial statements. No liability for superannuation is recognised as the employer contributions fully extinguish the accruing liability which is assumed by the Commonwealth.



#### 1.6 Leases

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of leased non-current assets and operating leases under which the lessor effectively retains substantially all such risks and benefits.

Where a non-current asset is acquired by means of a finance lease, an asset is recognised, measured at the present value of minimum lease payments at the inception of the lease: a liability is recognised, measured at the same amount. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are recognised as an expense on a basis which is representative of the pattern of benefits derived from the leased assets.

#### 1.7 Cash

Cash includes notes and coins held, deposits held at call with a bank or financial institution.

#### 1.8 Financial Instruments

Accounting policies for financial instruments are stated at note 15.

#### 1.9 Bad and Doubtful Debts

A provision for doubtful debts is made where there is a possibility that those debts may not be collected. All material debts over 30 days overdue are reviewed in respect of recovery. A provision is made for all debts over 90 days overdue where the Department considers necessary on a case by case basis.

Debts are written off as bad when identified. The write-off is recognised as an expense or, to the extent a provision for a doubtful debt already existed, as a reversal of the provision.

#### 1.10 Acquisition of Assets

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and revenues at their fair value at the date of acquisition, unless acquired as a consequence of restructuring administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor agency's accounts immediately prior to the restructuring.



## 1.11 Infrastructure, Plant and Equipment

### *Asset Recognition Threshold*

Purchases of infrastructure, plant and equipment are recognised as assets, measured at cost except for purchases costing less than \$2,000 which are recognised as expenses in the year of acquisition (other than where they form part of a group of similar items which are significant in total). Infrastructure includes leasehold improvements/fitout, and these acquisitions are recognised as assets where the cost exceeds \$2,000.

### *Revaluations*

Schedule 1 of the Financial Management and Accountability (Financial Statements 2000-2001) Orders require that infrastructure, plant and equipment be progressively revalued in accordance with the 'deprival' method of valuation (as set out in the Guidelines on Accounting Policy for Valuation of Assets of Government Trading Enterprises) by 1 July 1999, and thereafter be revalued progressively on that basis every three years. The Department revalued all classes of assets as at 30 June 1999. Recent acquisitions of assets were retained at cost.

Valuations were conducted by the Australian Valuation Office using the deprival basis of valuation.

The carrying amounts of non-current assets of business operations have been reviewed to determine whether they are in excess of their recoverable amounts. In assessing recoverable amounts, the relevant cash flows have not been discounted to their present value.

### *Recoverable amount test*

Schedule 1 of the Orders require the application of the recoverable amount test to departmental non-current assets in accordance with AAS 10 Accounting for the Revaluation of Non-Current Assets. The carrying amounts of these non-current assets have been reviewed to determine whether they are in excess of their recoverable amounts. In assessing recoverable amounts, the relevant cash flows have been discounted to their present value.

### *Depreciation and Amortisation*

Depreciable infrastructure, plant and equipment assets are depreciated over their estimated useful lives to the Department using the straight-line method that reflects the pattern of usage. Estimated useful lives and depreciation methods are reviewed annually. Any necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Leasehold improvements are amortised on a straight-line basis over the lesser of the estimated useful life of the improvements or the unexpired period of the lease.

Depreciation and amortisation rates applying to each class of depreciable property, infrastructure, plant and equipment assets are as follows:

	2000-01	1999-00
Buildings	50-100 years	50-100 years
Leasehold improvements	Lease term	Lease term
Plant and equipment	3-10 years	3-10 years



#### 1.12 Intangibles

Purchases of intangibles are recognised as assets, measured at cost except for purchases costing less than \$2,000 which are recognised as expenses in the year of acquisition.

Intangibles are amortised on a straight-line basis over 2 to 6 years.

#### 1.13 Inventories

Inventories are maps used for resale under the Community Services Obligation Program. They are stated at the lower of cost or net realisable value. The cost represents the cost of printing the maps.

#### 1.14 Taxation

AUSLIG is exempt from all forms of taxation except fringe benefits tax and goods and services tax.

#### 1.15 Insurance

AUSLIG has insured for risks through the Government's insurable risk managed fund called 'Comcover'. Workers compensation is through 'Comcare Australia'.

#### 1.16 Comparative Figures

Comparative figures have been adjusted to conform to changes in presentation in these financial statements where required.

#### 1.17 Rounding

Amounts have been rounded to the nearest \$1,000 except in relation to the following items:

- act of grace payments and waivers;
- remuneration of executives;
- remuneration of auditor; and



Notes to and forming part of the financial statements  
 for the period ended 30 June 2001

2000-2001      1999-2000  
 \$'000            \$'000

**2 Operating revenues**

**2A Revenues from Government**

Appropriations for outputs	26,207	26,796
Resources received free of charge	35	0
Total	<u>26,242</u>	<u>26,796</u>

**2B Sales of Goods and Services**

Goods	<u>4,849</u>	<u>4,708</u>
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**3 Operating Expenses**

**3A Employee Expenses**

Remuneration (for services provided)	7,755	7,244
Separation and redundancy	186	0
Remuneration (for services provided)	<u>7,941</u>	<u>7,244</u>

**3B Supplier Expenses**

Supply of goods and services	17,687	19,637
Operating lease rentals	2,354	2,869
Total	<u>20,041</u>	<u>22,506</u>

**3C Depreciation and Amortisation**

Depreciation of property, plant and equipment	<u>2,961</u>	<u>3,415</u>
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The aggregate amounts of depreciation or amortisation expensed during the reporting period for each class of depreciable asset are as follows:

Buildings	27	27
Plant and equipment	2,150	2,844
Intangibles	784	544
	<u>2,961</u>	<u>3,415</u>

**3D Write down of assets**

Non-financial assets		
Infrastructure, plant & equipment - write off	<u>29</u>	<u>18</u>

**4 Borrowing Cost Expenses**

Leases	<u>27</u>	<u>90</u>
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Notes to and forming part of the financial statements for the period ended 30 June 2001		2000-2001 \$'000	1999-2000 \$'000
<b>5</b>	<b>Financial Assets</b>		
5A	Cash		
	Cash at bank	2,096	903
	Cash on hand	2	2
		<u>2,098</u>	<u>905</u>
5B	Receivables		
	Goods and services	568	509
	GST Receivable	275	0
		<u>843</u>	<u>509</u>
	Less: Provision for doubtful debts	(20)	(21)
		<u>823</u>	<u>488</u>
	Receivables (gross) which are overdue are aged as follows		
	Not Overdue	612	336
	Overdue		
	Less than 30 days	110	118
	30 to 60 days	52	31
	60 to 90 days	11	24
	more than 90 days	58	0
		<u>843</u>	<u>509</u>
<b>6</b>	<b>Interest bearing liabilities</b>		
	<b>Leases</b>		
	<b>Finance Lease Commitments</b>		
	Not later than one year	0	414
		<u>0</u>	<u>414</u>
	Minimum lease payments	0	414
	Deduct : future finance charges	0	(27)
	<b>Lease Liability</b>	<u>0</u>	<u>387</u>
	Lease liability is represented by:		
	Current	0	387
		<u>0</u>	<u>387</u>
<b>7</b>	<b>Provisions</b>		
7A	Employee Provisions		
	Salaries and wages	163	148
	Leave	2,534	2,815
	Superannuation	28	27
	Total	<u>2,725</u>	<u>2,990</u>
	Current	1,261	968
	Non Current	1,464	2,022
<b>8</b>	<b>Payables</b>		
8A	Supplier Payables		
	Trade creditors	3,406	2,285
8B	Other Payables		
	Prepayments received	205	100



Notes to and forming part of the financial statements  
 for the period ended 30 June 2001

2000-2001 1999-2000  
 \$'000 \$'000

**9 Non-financial assets**

9A Buildings

Buildings - at June 1999 valuation	1,393	1,393
Accumulated depreciation	(54)	(27)
<b>Total Buildings</b>	<b>1,339</b>	<b>1,366</b>

9B Infrastructure, plant and equipment - at cost

Accumulated depreciation	(530)	(111)
	1,657	994

Infrastructure, plant and equipment - at June 2000 valuation

Accumulated depreciation	(8)	0
	67	75

Leasehold improvements - at June 1999 valuation

Accumulated depreciation	(500)	(250)
	0	250

Leasehold improvements - at cost

Accumulated depreciation	0	0
	195	0
	195	

Infrastructure, plant and equipment - at June 1999 valuation

Accumulated depreciation	(3,883)	(2,461)
	3,381	4,883

**Total Plant and Equipment**

	<b>5,300</b>	<b>6,202</b>
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Map reproduction material (negatives) were brought to account for the first time as at 30 June 2000 at a net valuation of \$75,000. This valuation was undertaken by an independent valuer - the Australian Valuation Office as at 30 June 2000.

Plant and equipment and leasehold improvements were revalued at deprival value as at 30 June 1999 by an independent valuer - the Australian Valuation Office.

Revaluations decrements of \$197,000 for buildings and \$114,000 for plant and equipment were expensed; increments of \$660,000 for plant and equipment were made to the asset revaluation reserve.

9C Intangibles

Software - at cost	2,668	2,329
Accumulated amortisation	(750)	(183)
	1,918	2,146

Software - at June 1999 valuation

Accumulated depreciation	(580)	(363)
	330	547

**Total Intangibles**

	<b>2,248</b>	<b>2,693</b>
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Intangible assets were revalued at deprival value as at 30 June 1999 by an independent valuer - the Australian Valuation Office

Notes to and forming part of the financial statements  
for the period ended 30 June 2001

9 Non-financial assets (cont.)

9D TABLE A - Movement summary 2000-01 for all assets irrespective of valuation basis

Item	Buildings	Infrastructure plant & equip	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
<b>Gross value</b>				
As at 1 July 2000	1,393	9,025	3,238	13,656
Purchase of new assets	0	1,276	340	1,616
Write-offs	0	(80)	0	(80)
<b>Gross value as at 30 June 2001</b>	<b>1,393</b>	<b>10,221</b>	<b>3,578</b>	<b>15,192</b>
<b>Accumulated Depreciation/Amortisation</b>				
As at 1 July 2000	27	2,823	546	3,396
Depreciation/amortisation charge for the year	27	2,150	784	2,961
Write-offs	0	(52)	0	(52)
<b>Accumulated Depreciation/Amortisation as at 30 June 2001</b>	<b>54</b>	<b>4,921</b>	<b>1,330</b>	<b>6,305</b>
<b>Net book value as at 30 June 2001</b>	<b>1,339</b>	<b>5,300</b>	<b>2,248</b>	<b>8,887</b>
Net book value as at 1 July 2000	1,366	6,202	2,693	10,261

TABLE B - Summary of balances of assets at valuation as at 30 June 2001

	Buildings	Infrastructure plant & equip	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
<b>As at 30 June 2001</b>				
Gross value	1,393	7,839	910	10,142
Accumulated depreciation/amortisation	(54)	(4,391)	(580)	(5,025)
<b>Net Book Value</b>	<b>1,339</b>	<b>3,448</b>	<b>330</b>	<b>5,117</b>
<b>As at 30 June 2000</b>				
Gross value	1,393	7,844	910	10,147
Accumulated depreciation/amortisation	(27)	(2,711)	(363)	(3,101)
<b>Net Book Value</b>	<b>1,366</b>	<b>5,133</b>	<b>547</b>	<b>7,046</b>



Notes to and forming part of the financial statements  
for the period ended 30 June 2001

2000-2001  
\$'000

1999-2000  
\$'000

9 Non-financial assets (cont.)

9E	Inventories		
	Inventories held for sale	1,000	1,000
9F	Other non-financial assets		
	Prepayments	1,067	555

10 Equity

	Capital	Accumulated results	Total reserves	TOTAL EQUITY \$'000
Balance 1 July 2000	12,707	2,117	660	15,484
Net surplus	0	92	0	92
<b>Balance at 30 June 2001</b>	<b>12,707</b>	<b>2,209</b>	<b>660</b>	<b>15,576</b>

Comparative for 1999-2000

	Capital	Accumulated results	Total reserves	TOTAL EQUITY \$'000
Balance 1 July 1999	12,632	3,886	660	17,178
Net Deficit	0	(1,769)	0	(1,769)
Equity injection : Valuation of Assets	75	0	0	75
<b>Balance at 30 June 2000</b>	<b>12,707</b>	<b>2,117</b>	<b>660</b>	<b>15,484</b>

11 Executive Remuneration

The number of executive who received or were due to receive total remuneration of \$100,000 or more:

\$130,001 to \$140,000	1	1
	1	1
The aggregate amount of remuneration of Executives shown above	135,519	133,614

12 Services provided by the Auditor-General

Financial statement audit services are provided free of charge to AUSLIG. The fair value of audit services provided was:

	34,610	28,000
No other services were provided		

13 Average Staffing Levels

The average staffing levels were	115	113
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Notes to and forming part of the financial statements for the period ended 30 June 2001	2000-2001 \$'000	1999-2000 \$'000
<b>14 Cash Flow Reconciliation</b>		
Reconciliation of Cash per Statement of Financial Position to Statement of Cash Flows		
. Cash at year end per Statement of Cash Flows	2,098	905
. Statement of Financial Position items comprising above cash: 'Financial Asset - Cash'	2,098	905
Reconciliation of net surplus to net cash provided by operating activities		
<b>Net surplus/(deficit)</b>	92	(1,769)
Depreciation/amortisation	2,961	3,415
Write down of assets	29	18
Decrease in employee liabilities	(265)	(275)
Increase (decrease) in suppliers liability	1,122	1,224
Increase/(decrease) in other liabilities	105	(88)
Decrease/(increase) in prepayments	(512)	1,783
Decrease/(increase) in receivables	(335)	352
<b>Net cash provided by operating activities</b>	<b>3,197</b>	<b>4,660</b>



Notes to and forming part of the financial statements  
 for the period ended 30 June 2001

15 Financial Instruments

15A Terms, conditions and accounting policies

Financial Instrument	Notes	Accounting Policies and Methods (including recognition criteria and measurement basis)	Nature of underlying instrument (including significant terms & conditions affecting the amount, timing and certainty of cash flows)
<b>Financial Assets</b>		Financial assets are recognised when control over future economic benefits is established and the amount of benefit can be reliably measured.	
Cash	5A	Deposits are recognised at their nominal amounts.	
Receivables for goods and services	5B	The receivables are recognised at the nominal amount due less any provision for bad and doubtful debts. Collectability of debts is reviewed at balance date. Provisions are made when collection of the debt is judged to be less rather than more likely.	Receivables are from both, the Commonwealth and external to Commonwealth. Credit terms are net 30 days (1999-2000: 30 days)
<b>Financial liabilities</b>		Liabilities are recognised when the present obligation to another party is entered into and the amount of the liability can be reliably measured.	
Trade creditors	8A & B	Creditors and accruals are recognised at their nominal amounts, being the amount at which the liabilities will be settled. Liabilities are recognised to the extent that the goods or services have been received (irrespective of having been invoiced).	Trade creditors are made of entities both within and external to the Commonwealth. Settlement is usually made net 30 days.



Notes to and forming part of the financial statements  
 for the period ended 30 June 2001

15 Financial Instruments (cont.)

15B Interest Rate Risk

	Floating Interest Rate	Fixed Interest Rate				Non-Interest Bearing		Total	
		1 Year or less		1 to 5 years		2000-01	99-00	2000-01	99-00
		2000-01 \$'000	99-00 \$'000	2000-01 \$'000	99-00 \$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets									
Cash		0	0	0	2,098	905	2,098	905	
Investments		0	0	0	8,037	8,037	8,037	8,037	
Receivables for									
Goods and services		0	0	0	548	488	548	488	
Other Debtors		0	0	0	275	0	275	0	
<b>Total Financial Assets (Recognised)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,958</b>	<b>9,430</b>	<b>10,958</b>	<b>9,430</b>
Financial Liabilities									
Finance lease liability		0	0	0	387	0	0	387	
Trade creditors		0	0	0	3,406	2,285	3,406	2,285	
<b>Total Financial Liabilities (Recognised)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>387</b>	<b>3,406</b>	<b>2,285</b>	<b>3,406</b>	<b>2,672</b>

15C Credit Risk Exposure

AUSLIG's maximum exposures to credit risk at reporting date in relation to each class of recognised financial assets is the carrying amount of those assets as indicated in the Statement of Financial Position.

AUSLIG has no significant exposures to any concentrations of credit risk.

15D Net fair values of financial assets and liabilities

For assets, the net fair value approximates their carrying value.

The net fair values of the finance lease is based on the interest rate specified in the contract.

The net fair values for trade creditors are short-term in nature, are approximated by their carrying amounts.