Illustrative Financial Statements 2011-12

CAC Act Authorities

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Note: PRIMA Illustrative Financial Statements (PRIMA Illustrative) contain policy and guidance paragraphs which provide additional information about the disclosures in this document. In addition, the numbering of notes in this document has been designed to cross-reference the PRIMA Forms. Note numbering will therefore not necessarily be consecutive.
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Independent Audit Report

To the Minister for PRIMA

Scope

I have audited the accompanying financial statements of the entity for the year ended 30 June 2012, which comprise a Statement by the Directors; Income Statement; Balance Sheet; Statement of Changes in Equity; Cash Flow Statement; Schedule of Commitments; Schedule of Contingencies and Notes to and forming part of the Financial Statements, including a Summary of Significant Accounting Policies.

The Responsibility of the Chief Executive Officer for the Financial Statements

The members of the Board of Directors are responsible for the preparation and fair presentation of the financial statements in accordance with the Finance Minister’s Orders made under the Commonwealth Authorities and Companies Act 1997, including the Australian Accounting Standards (which include the Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor’s Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. My audit has been conducted in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

In conducting the audit, I have followed the independence requirements of the Australian National Audit Office, which incorporate the requirements of the Australian accounting profession.

Auditor’s Opinion

In my opinion, the financial statements of the entity:

(a) have been prepared in accordance with the Finance Minister’s Orders made under the Commonwealth Authorities and Companies Act 1997, including the Australian Accounting Standards; and

(b) give a true and fair view of the matters required by the Finance Minister’s Orders including the entity’s financial position as at 30 June 2012 and of its financial performance and cash flows for the year then ended.

[Signature]

Name: John Phillips
Title: Principal Advisor, Delegate of the Auditor-General
Location: Canberra
Date: 17 August 2012
PRIMA Authority

STATEMENT BY THE DIRECTORS, CHIEF EXECUTIVE AND CHIEF FINANCIAL OFFICER

In our opinion, the attached financial statements for the year ended 30 June 2012 are based on properly maintained financial records and give a true and fair view of the matters required by the Finance Minister's Orders made under the Commonwealth Authorities and Companies Act 1997, as amended.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Authority will be able to pay its debts as and when they become due and payable.

This statement is made in accordance with a resolution of the directors.

Signed ……..  Signed ……..  Signed ……..  Signed ……..
Paul Smith  Sally Black  Peter Wells  John Taylor
Chairperson  Director  Chief Executive  Chief Financial Officer
14 August 2012  14 August 2012  14 August 2012  14 August 2012
Statement of Comprehensive Income for not-for-profit Reporting Entities  
for the period ended 30 June 2012

<table>
<thead>
<tr>
<th>AASB 101.10(b)</th>
<th>Notes</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>EXPENSES</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee benefits</td>
<td>3A</td>
<td>113,343</td>
<td>84,579</td>
</tr>
<tr>
<td>Supplier</td>
<td>3B</td>
<td>187,041</td>
<td>152,010</td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>3D</td>
<td>10,245</td>
<td>13,845</td>
</tr>
<tr>
<td>Finance costs</td>
<td>3E</td>
<td>750</td>
<td>239</td>
</tr>
<tr>
<td>Write-down and impairment of assets</td>
<td>3F</td>
<td>-</td>
<td>232</td>
</tr>
<tr>
<td>Other expenses</td>
<td>3I</td>
<td>1,236</td>
<td>71</td>
</tr>
<tr>
<td>Total expenses</td>
<td></td>
<td>312,615</td>
<td>250,976</td>
</tr>
<tr>
<td>LESS:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OWN-SOURCE INCOME</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Own-source revenue</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sale of goods and rendering of services</td>
<td>4A</td>
<td>188,114</td>
<td>166,156</td>
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<tr>
<td>Interest</td>
<td>4C</td>
<td>-</td>
<td>42</td>
</tr>
<tr>
<td>Other revenue</td>
<td>4G</td>
<td>450</td>
<td>429</td>
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<tr>
<td>Total own-source revenue</td>
<td></td>
<td>188,564</td>
<td>166,627</td>
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<tr>
<td>Gains</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sale of assets</td>
<td>4H</td>
<td>371</td>
<td>755</td>
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<tr>
<td>Reversals of previous asset write-downs and impairments</td>
<td>4J</td>
<td>-</td>
<td>3,312</td>
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<tr>
<td>Total gains</td>
<td></td>
<td>371</td>
<td>4,067</td>
</tr>
<tr>
<td>Total own-source income</td>
<td></td>
<td>188,935</td>
<td>170,694</td>
</tr>
<tr>
<td>Net cost of services</td>
<td></td>
<td>123,680</td>
<td>80,282</td>
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<tr>
<td>Revenue from Government</td>
<td>4L</td>
<td>151,482</td>
<td>106,745</td>
</tr>
<tr>
<td>Surplus before income tax on continuing operations</td>
<td></td>
<td>27,802</td>
<td>26,463</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>5</td>
<td>(5,684)</td>
<td>(17,410)</td>
</tr>
<tr>
<td>Surplus after income tax on continuing operations</td>
<td></td>
<td>22,118</td>
<td>9,053</td>
</tr>
<tr>
<td>Surplus after income tax</td>
<td></td>
<td>22,118</td>
<td>9,053</td>
</tr>
<tr>
<td>OTHER COMPREHENSIVE INCOME</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Changes in asset revaluation surplus</td>
<td></td>
<td>1,867</td>
<td>3,997</td>
</tr>
<tr>
<td>Total other comprehensive income after income tax</td>
<td></td>
<td>1,867</td>
<td>3,997</td>
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<tr>
<td>Total comprehensive income</td>
<td></td>
<td>23,985</td>
<td>13,050</td>
</tr>
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</table>

Illustrative (CAC Act)

Page 5
## Balance Sheet for not-for-profit Reporting Entities

### as at 30 June 2012

<table>
<thead>
<tr>
<th></th>
<th>2012 $'000</th>
<th>2011 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Financial Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>7A 7,089</td>
<td>6,131</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>7B 29,959</td>
<td>31,577</td>
</tr>
<tr>
<td>Total financial assets</td>
<td>37,048</td>
<td>37,708</td>
</tr>
<tr>
<td><strong>Non-Financial Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land and buildings</td>
<td>8A 174,293</td>
<td>177,922</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>8B,C 49,620</td>
<td>36,585</td>
</tr>
<tr>
<td>Intangibles</td>
<td>8E,F 5,267</td>
<td>1,621</td>
</tr>
<tr>
<td>Inventories</td>
<td>8G 5,902</td>
<td>1,903</td>
</tr>
<tr>
<td>Other non-financial assets</td>
<td>8I 3,650</td>
<td>1,764</td>
</tr>
<tr>
<td>Total non-financial assets</td>
<td>238,732</td>
<td>219,795</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>275,780</td>
<td>257,503</td>
</tr>
<tr>
<td><strong>LIABILITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payables</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Suppliers</td>
<td>9A (21,087)</td>
<td>(29,047)</td>
</tr>
<tr>
<td>Other payables</td>
<td>9F (12,928)</td>
<td>(12,140)</td>
</tr>
<tr>
<td>Total payables</td>
<td>(34,015)</td>
<td>(41,187)</td>
</tr>
<tr>
<td><strong>Interest Bearing Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans</td>
<td>10A (3,327)</td>
<td>(4,592)</td>
</tr>
<tr>
<td>Leases</td>
<td>10B (7,192)</td>
<td>(10,205)</td>
</tr>
<tr>
<td>Other interest bearing liabilities</td>
<td>10D (2,058)</td>
<td>(2,363)</td>
</tr>
<tr>
<td>Total interest bearing liabilities</td>
<td>(12,577)</td>
<td>(17,160)</td>
</tr>
<tr>
<td><strong>Provisions</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee provisions</td>
<td>11A (50,958)</td>
<td>(45,998)</td>
</tr>
<tr>
<td>Other provisions</td>
<td>11C (3,523)</td>
<td>(3,436)</td>
</tr>
<tr>
<td>Total provisions</td>
<td>(54,481)</td>
<td>(49,434)</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>(101,073)</td>
<td>(107,781)</td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td>174,707</td>
<td>149,722</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>EQUITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Parent Entity Interest</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributed equity</td>
<td>60,583</td>
<td>59,583</td>
</tr>
<tr>
<td>Reserves</td>
<td>108,981</td>
<td>107,114</td>
</tr>
<tr>
<td>Retained surplus (accumulated deficit)</td>
<td>5,143</td>
<td>(16,975)</td>
</tr>
<tr>
<td><strong>Total parent entity interest</strong></td>
<td>174,707</td>
<td>149,722</td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td>174,707</td>
<td>149,722</td>
</tr>
</tbody>
</table>

The above statement should be read in conjunction with the accompanying notes.
### Statement of Changes in Equity for not-for-profit Reporting Entities

*for the period ended 30 June 2012*

<table>
<thead>
<tr>
<th>AASB 101.10(c)</th>
<th>Retained earnings</th>
<th>Asset revaluation surplus</th>
<th>Contributed equity/capital</th>
<th>Total equity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2012</td>
<td>$'000</td>
<td>2011</td>
<td>$'000</td>
</tr>
<tr>
<td>Opening balance</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance carried forward from previous period</td>
<td>(16,975)</td>
<td>(26,028)</td>
<td>107,114</td>
<td>103,117</td>
</tr>
<tr>
<td>Adjusted opening balance</td>
<td>(16,975)</td>
<td>(26,028)</td>
<td>107,114</td>
<td>103,117</td>
</tr>
</tbody>
</table>

#### Comprehensive income

<table>
<thead>
<tr>
<th>AASB 101.106(a)</th>
<th>Total comprehensive income</th>
<th>22,118</th>
<th>9,053</th>
<th>1,867</th>
<th>3,997</th>
<th>23,985</th>
<th>13,050</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surplus for the period</td>
<td>22,118</td>
<td>9,053</td>
<td>1,867</td>
<td>3,997</td>
<td>22,118</td>
<td>9,053</td>
<td></td>
</tr>
</tbody>
</table>

#### Transactions with owners

<table>
<thead>
<tr>
<th>AASB 101.106(d)(iii)</th>
<th>Contributions by owners</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity injection</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Restructuring</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>AASB 1004.48</th>
<th>Sub-total transactions with owners</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>AASB 101.106(a)</th>
<th>Closing balance as at 30 June</th>
<th>5,143</th>
<th>16,975</th>
<th>108,981</th>
<th>107,114</th>
<th>60,583</th>
<th>59,583</th>
<th>174,707</th>
<th>149,722</th>
</tr>
</thead>
</table>

The above statement should be read in conjunction with the accompanying notes.
## Cash Flow Statement for not-for-profit Reporting Entities

for the period ended 30 June 2012

<table>
<thead>
<tr>
<th>AASB 101.10(d)</th>
<th>2012</th>
<th>2011</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
<td></td>
</tr>
</tbody>
</table>

### OPERATING ACTIVITIES

#### Cash received

<table>
<thead>
<tr>
<th>Description</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receipts from Government</td>
<td>151,291</td>
<td>89,770</td>
</tr>
<tr>
<td>Sales of goods and rendering of services</td>
<td>203,848</td>
<td>189,540</td>
</tr>
<tr>
<td>Interest</td>
<td>-</td>
<td>42</td>
</tr>
<tr>
<td>Net GST received</td>
<td>2,613</td>
<td>1,675</td>
</tr>
<tr>
<td><strong>Total cash received</strong></td>
<td><strong>357,752</strong></td>
<td><strong>281,027</strong></td>
</tr>
</tbody>
</table>

#### Cash used

<table>
<thead>
<tr>
<th>Description</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees</td>
<td>(115,368)</td>
<td>(100,067)</td>
</tr>
<tr>
<td>Suppliers</td>
<td>(210,206)</td>
<td>(140,781)</td>
</tr>
<tr>
<td>Borrowing costs</td>
<td>(663)</td>
<td>(129)</td>
</tr>
<tr>
<td>Other</td>
<td>(7,096)</td>
<td>(17,272)</td>
</tr>
<tr>
<td><strong>Total cash used</strong></td>
<td><strong>(333,333)</strong></td>
<td><strong>(258,249)</strong></td>
</tr>
</tbody>
</table>

**Net cash from operating activities**

| 13 | 24,419 | 22,778 |

### INVESTING ACTIVITIES

#### Cash received

<table>
<thead>
<tr>
<th>Description</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proceeds from sales of property, plant and equipment</td>
<td>5,580</td>
<td>4,450</td>
</tr>
<tr>
<td><strong>Total cash received</strong></td>
<td><strong>5,580</strong></td>
<td><strong>4,450</strong></td>
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</tbody>
</table>

#### Cash used

<table>
<thead>
<tr>
<th>Description</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase of property, plant and equipment</td>
<td>(26,218)</td>
<td>(13,210)</td>
</tr>
<tr>
<td>Purchase of financial instruments</td>
<td>-</td>
<td>(1,000)</td>
</tr>
<tr>
<td><strong>Total cash used</strong></td>
<td><strong>(26,218)</strong></td>
<td><strong>(14,210)</strong></td>
</tr>
</tbody>
</table>

**Net cash used by investing activities**

| 13 | (20,638) | (9,760) |

### FINANCING ACTIVITIES

#### Cash received

<table>
<thead>
<tr>
<th>Description</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributed equity</td>
<td>1,000</td>
<td>18,430</td>
</tr>
<tr>
<td><strong>Total cash received</strong></td>
<td><strong>1,000</strong></td>
<td><strong>18,430</strong></td>
</tr>
</tbody>
</table>

#### Cash used

<table>
<thead>
<tr>
<th>Description</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Repayment of borrowings</td>
<td>(1,541)</td>
<td>(3,602)</td>
</tr>
<tr>
<td>Other</td>
<td>(2,282)</td>
<td>(24,856)</td>
</tr>
<tr>
<td><strong>Total cash used</strong></td>
<td><strong>(3,823)</strong></td>
<td><strong>(28,458)</strong></td>
</tr>
<tr>
<td><strong>Net cash used by financing activities</strong></td>
<td><strong>(2,823)</strong></td>
<td><strong>(10,028)</strong></td>
</tr>
</tbody>
</table>

**Net increase in cash held**

| 958 | 2,990 |

**Cash and cash equivalents at the beginning of the reporting period**

| 13 | 6,131 | 3,141 |

**Cash and cash equivalents at the end of the reporting period**

| 13 | 7,089 | 6,131 |

The above statement should be read in conjunction with the accompanying notes.
## Schedule of Commitments
### as at 30 June 2012

### BY TYPE

<table>
<thead>
<tr>
<th>Commitments receivable</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net GST recoverable on commitments(^1)</td>
<td>181</td>
<td>181</td>
</tr>
<tr>
<td>Total commitments receivable</td>
<td>181</td>
<td>181</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Commitments payable</th>
</tr>
</thead>
<tbody>
<tr>
<td>FMOS Div 81</td>
</tr>
<tr>
<td><strong>Capital commitments</strong></td>
</tr>
<tr>
<td>Land and buildings(^3)</td>
</tr>
<tr>
<td>Property, plant and equipment(^5)</td>
</tr>
<tr>
<td>Total capital commitments</td>
</tr>
</tbody>
</table>

| FMOS Div 81 |
| **Other commitments** |
| Operating leases\(^4\) | (135,145) | (123,847) |
| Total other commitments | (135,145) | (123,847) |
| Total commitments payable | (139,145) | (129,347) |
| Net commitments by type | (138,964) | (129,166) |

### BY MATURITY

<table>
<thead>
<tr>
<th>Commitments receivable</th>
</tr>
</thead>
<tbody>
<tr>
<td>AASB 117.35(a)</td>
</tr>
<tr>
<td>Operating lease income</td>
</tr>
<tr>
<td>One year or less</td>
</tr>
<tr>
<td>Total operating lease income</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Commitments payable</th>
</tr>
</thead>
<tbody>
<tr>
<td>AASB 117.35(a)</td>
</tr>
<tr>
<td>Capital commitments</td>
</tr>
<tr>
<td>One year or less</td>
</tr>
<tr>
<td>From one to five years</td>
</tr>
<tr>
<td>Total capital commitments</td>
</tr>
</tbody>
</table>

| AASB 117.35(a) |
| Operating lease commitments |
| One year or less | (31,111) | (13,255) |
| From one to five years | (104,034) | (65,400) |
| Over five years | - | (45,192) |
| Total operating lease commitments | (135,145) | (123,847) |
| Total commitments payable | (139,145) | (129,347) |
| Net commitments by maturity | (138,964) | (129,166) |

### Note:
1. Commitments were GST inclusive where relevant.
2. Outstanding contractual payments for buildings under construction.
3. Plant and equipment commitments were primarily contracts for leases and purchases of furniture and computers for a new building.
4. Operating leases included were effectively non-cancellable.

The nature of capital commitments relates to land and buildings and property, plant and equipment.

The nature of other commitments relates to the leases for office accommodation.

The entity in its capacity as a lessee has leases for office accommodation. Lease payments were subject to annual increase in accordance with upwards movements in the Consumer Price Index. The initial periods of office accommodation leases are still current and each may be renewed for up to five years at the entity’s option, following a once-off adjustment of rentals to current market levels.

The entity as a lessee sold computer equipment on 30 June 2011 and leased back on 1 July 2011. The lessor provides all computer equipment and software designated as necessary in the supply contract for five years plus for a further two years at the entity’s option on the same terms and conditions. The initial equipment had on average a useful life of two years from the commencement of the contract. The entity may vary its originally designated requirement, subject to giving three months notice, at no penalty.

This schedule should be read in conjunction with the accompanying notes.
Schedule of Contingencies  
*as at 30 June 2012*

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Contingent assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Guarantees</td>
<td>(35)</td>
<td>71</td>
</tr>
<tr>
<td>Claims for damages or costs</td>
<td>150</td>
<td>79</td>
</tr>
<tr>
<td><strong>Total contingent assets</strong></td>
<td>115</td>
<td>150</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Contingent liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Claims for damages or costs</td>
<td>(13)</td>
<td>(13)</td>
</tr>
<tr>
<td><strong>Total contingent liabilities</strong></td>
<td>(13)</td>
<td>(13)</td>
</tr>
<tr>
<td><strong>Net contingent assets</strong></td>
<td>102</td>
<td>137</td>
</tr>
</tbody>
</table>

Details of each class of contingent liabilities and contingent assets listed above are disclosed in Note 14, along with information on significant remote contingencies and contingencies that cannot be quantified.

The above schedule should be read in conjunction with the accompanying notes.
Note 1: Summary of Significant Accounting Policies (See Attachment A)

**GUIDANCE**

Note 2: Events After the Reporting Period

Departmental

There was no subsequent event that had the potential to significantly affect the ongoing structure and financial activities of the entity.
Note 3: Expenses

<table>
<thead>
<tr>
<th>Note 3A: Employee Benefits</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages and salaries</td>
<td>(82,950)</td>
<td>(65,665)</td>
</tr>
<tr>
<td>Superannuation:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Defined contribution plans</td>
<td>(9,544)</td>
<td>(3,534)</td>
</tr>
<tr>
<td>Defined benefit plans</td>
<td>(2,688)</td>
<td>-</td>
</tr>
<tr>
<td>Leave and other entitlements</td>
<td>(16,899)</td>
<td>(14,751)</td>
</tr>
<tr>
<td>Separation and redundancies</td>
<td>(1,262)</td>
<td>(629)</td>
</tr>
<tr>
<td><strong>Total employee benefits</strong></td>
<td>(113,343)</td>
<td>(84,557)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Note 3B: Supplier</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Goods and services</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consultants</td>
<td>(69,859)</td>
<td>(56,877)</td>
</tr>
<tr>
<td>Contractors</td>
<td>(94,537)</td>
<td>(78,876)</td>
</tr>
<tr>
<td>Other</td>
<td>(485)</td>
<td>(368)</td>
</tr>
<tr>
<td><strong>Total goods and services</strong></td>
<td>(164,881)</td>
<td>(136,121)</td>
</tr>
</tbody>
</table>

**Goods and services are made up of:**
- Provision of goods – related entities | (4,163) | (1,698) |
- Provision of goods – external parties | (24,981) | (20,987) |
- Rendering of services – related entities | (1,392) | (568) |
- Rendering of services – external parties | (134,345) | (112,868) |
| **Total goods and services** | (164,881) | (136,121) |

**Other supplier expenses**
- Operating lease rentals – related entities:
  - Minimum lease payments | (15,625) | (10,462) |
  - Workers compensation expenses | (6,535) | (5,427) |
| **Total other supplier expenses** | (22,160) | (15,889) |
| **Total supplier expenses** | (187,041) | (152,010) |

**Note 3D: Depreciation and Amortisation**

**Depreciation:**
- Property, plant and equipment | (7,356) | (11,404) |
- Buildings                     | (1,399) | (1,974) |
| **Total depreciation**         | (8,755) | (13,378) |

**Amortisation:**
- Intangibles                   | (1,490) | (467) |
| **Total amortisation**         | (1,490) | (467) |
| **Total depreciation and amortisation** | (10,245) | (13,845) |

1. Depreciation expenses for finance leases were included in the line 'Property, plant and equipment' above. Depreciation on equipment under finance lease arrangements was $7,192 (2011: $10,205).
### Note 3E: Finance Costs

<table>
<thead>
<tr>
<th>Description</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans</td>
<td>(276)</td>
<td>(17)</td>
</tr>
<tr>
<td>Finance leases</td>
<td>(387)</td>
<td>(155)</td>
</tr>
<tr>
<td>Unwinding of discount</td>
<td>(87)</td>
<td>(67)</td>
</tr>
<tr>
<td><strong>Total finance costs</strong></td>
<td>(750)</td>
<td>(239)</td>
</tr>
</tbody>
</table>

### AASB 136.126

**Note 3F: Write-Down and Impairment of Assets**

Asset write-downs and impairments from:

- Impairment on intangible assets: (43)
- Other: (189)

**Total write-down and impairment of assets:** (232)

### Note 3I: Other Expenses

<table>
<thead>
<tr>
<th>Description</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Act of Grace payments</td>
<td>(1,236)</td>
<td>-</td>
</tr>
<tr>
<td>Guarantees, undertakings and indemnities</td>
<td>-</td>
<td>(71)</td>
</tr>
<tr>
<td><strong>Total other expenses</strong></td>
<td>(1,236)</td>
<td>(71)</td>
</tr>
</tbody>
</table>

### FMO Div 25

**Note 3J: Operating Expenditure for Heritage and Cultural Assets**

(Collection Institutions Only)

<table>
<thead>
<tr>
<th>Description</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating expenditure</td>
<td>(1,586)</td>
<td>(1,495)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>(1,586)</td>
<td>(1,495)</td>
</tr>
</tbody>
</table>

1. Operating expenditure for Heritage and Cultural Assets is contained in the Statement of Comprehensive Income. It is included in Note 3A to 3I.
### Note 4: Income

<table>
<thead>
<tr>
<th>OWN-SOURCE REVENUE</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
</tr>
</tbody>
</table>

**AASB 118.35(b)(i,ii)**

**Note 4A: Sale of Goods and Rendering of Services**

| Provision of goods - related entities | 13,241  | 11,568  |
| Provision of goods - external parties | 10,556  | 9,478   |
| Rendering of services - related entities | 21,952  | 24,986  |
| Rendering of services - external parties | 142,365 | 120,124 |
| **Total sale of goods and rendering of services** | 188,114 | 166,156 |

**AASB 118.35(b)(iii)**

**Note 4C: Interest**

| Deposits | -       | 42      |
|**Total interest** | -       | 42      |

**GAINS**

**Note 4H: Sale of Assets**

| Land and buildings: |
|Proceeds from sale | - | 2,300 |
|Carrying value of assets sold | - | (1,849) |

**AASB 101.98(c)**

| Property, plant and equipment: |
|Proceeds from sale | 5,580 | 2,150 |
|Carrying value of assets sold | (5,209) | (1,846) |

**AASB 101.34(a)**

| Net gain from sale of assets | 371 | 755 |

**AASB 101.98(a)**

**Note 4J: Reversals of Previous Asset Write-Downs and Impairments**

| Asset revaluation increment | - | 2,918 |
|Reversal of impairment losses | - | 394 |
|**Total reversals of previous asset write-downs and impairments** | - | 3,312 |

**Note 4L: Revenue from Government**

| Department of Goodwill: |
|CAC Act body payment item | 151,482 | 106,745 |
|**Total revenue from Government** | 151,482 | 106,745 |
### Note 5: Income Tax Expense (Competitive Neutrality)

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>$'000</td>
<td>$'000</td>
<td></td>
</tr>
<tr>
<td><strong>Income Tax Expense</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Competitive neutrality - Commonwealth tax equivalent expense</td>
<td>(5,684)</td>
<td>(17,410)</td>
</tr>
<tr>
<td><strong>Total income tax expense</strong></td>
<td>(5,684)</td>
<td>(17,410)</td>
</tr>
</tbody>
</table>

The Education Services Division of the entity provided services on a for-profit basis and was subjected to the Australian Government’s Competitive Neutrality Policy. The above amounts were calculated as payables to the Australian Government in the form of company income tax under the Income Tax Assessment Acts had they applied. These amounts were paid or are payable by the entity to the Official Public Account.
### Note 7: Financial Assets

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td><strong>AASB 107.45</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Note 7A: Cash and Cash Equivalents</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash on hand or on deposit</td>
<td>7,089</td>
<td>6,131</td>
</tr>
<tr>
<td><strong>Total cash and cash equivalents</strong></td>
<td>7,089</td>
<td>6,131</td>
</tr>
<tr>
<td><strong>AASB 101.54(h)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Note 7B: Trade and Other Receivables</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Goods and Services:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Goods and services - related entities</td>
<td>6,790</td>
<td>10,497</td>
</tr>
<tr>
<td>Goods and services - external parties</td>
<td>4,724</td>
<td>4,000</td>
</tr>
<tr>
<td><strong>Total receivables for goods and services</strong></td>
<td>11,514</td>
<td>14,497</td>
</tr>
<tr>
<td>Department of Goodwill:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receivable</td>
<td>19,855</td>
<td>20,914</td>
</tr>
<tr>
<td><strong>Total receivable from Department of Goodwill</strong></td>
<td>19,855</td>
<td>20,914</td>
</tr>
<tr>
<td>Other receivables:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GST receivable from the Australian Taxation Office</td>
<td>891</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total other receivables</strong></td>
<td>891</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total trade and other receivables (gross)</strong></td>
<td>32,260</td>
<td>35,411</td>
</tr>
<tr>
<td><strong>Less impairment allowance account:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Goods and services</td>
<td>(2,301)</td>
<td>(3,834)</td>
</tr>
<tr>
<td><strong>Total impairment allowance account</strong></td>
<td>(2,301)</td>
<td>(3,834)</td>
</tr>
<tr>
<td><strong>Total trade and other receivables (net)</strong></td>
<td>29,959</td>
<td>31,577</td>
</tr>
<tr>
<td><strong>Receivables are expected to be recovered in:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No more than 12 months</td>
<td>25,764</td>
<td>27,914</td>
</tr>
<tr>
<td>More than 12 months</td>
<td>4,195</td>
<td>3,663</td>
</tr>
<tr>
<td><strong>Total trade and other receivables (net)</strong></td>
<td>29,959</td>
<td>31,577</td>
</tr>
<tr>
<td><strong>Receivables are aged as follows:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Not overdue</td>
<td>26,387</td>
<td>27,519</td>
</tr>
<tr>
<td>Overdue by:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>0 to 30 days</td>
<td>3,332</td>
<td>3,658</td>
</tr>
<tr>
<td>31 to 60 days</td>
<td>669</td>
<td>1,115</td>
</tr>
<tr>
<td>61 to 90 days</td>
<td>759</td>
<td>1,265</td>
</tr>
<tr>
<td>More than 90 days</td>
<td>1,113</td>
<td>1,854</td>
</tr>
<tr>
<td><strong>Total receivables (gross)</strong></td>
<td>32,260</td>
<td>35,411</td>
</tr>
<tr>
<td><strong>The impairment allowance account is aged as follows:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overdue by:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>31 to 60 days</td>
<td>(429)</td>
<td>(715)</td>
</tr>
<tr>
<td>61 to 90 days</td>
<td>(759)</td>
<td>(1,265)</td>
</tr>
<tr>
<td>More than 90 days</td>
<td>(1,113)</td>
<td>(1,854)</td>
</tr>
<tr>
<td><strong>Total impairment allowance account</strong></td>
<td>(2,301)</td>
<td>(3,834)</td>
</tr>
</tbody>
</table>
Reconciliation of the Impairment Allowance Account:

Movements in relation to 2012

<table>
<thead>
<tr>
<th>Goods and services</th>
<th>2012 Goods and services</th>
<th>2012 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance</td>
<td>(3,834)</td>
<td>(3,834)</td>
</tr>
<tr>
<td>Amounts recovered and reversed</td>
<td>1,533</td>
<td>1,533</td>
</tr>
<tr>
<td>Closing balance</td>
<td>(2,301)</td>
<td>(2,301)</td>
</tr>
</tbody>
</table>

Movements in relation to 2011

<table>
<thead>
<tr>
<th>Goods and services</th>
<th>2011 Goods and services</th>
<th>2011 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance</td>
<td>(3,645)</td>
<td>(3,645)</td>
</tr>
<tr>
<td>Amounts written off</td>
<td>(189)</td>
<td>(189)</td>
</tr>
<tr>
<td>Closing balance</td>
<td>(3,834)</td>
<td>(3,834)</td>
</tr>
</tbody>
</table>
Note 8: Non-Financial Assets

2012  
$'000  2011  
$'000

AASB 101.54(a)

Note 8A: Land and Buildings

Land:
AASB 116.31

<table>
<thead>
<tr>
<th>Description</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land at fair value</td>
<td>110,825</td>
<td>131,021</td>
</tr>
<tr>
<td>Total land</td>
<td>110,825</td>
<td>131,021</td>
</tr>
</tbody>
</table>

Buildings on freehold land:
AASB 116.74(b)

<table>
<thead>
<tr>
<th>Description</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work in progress</td>
<td>2,724</td>
<td>9,442</td>
</tr>
<tr>
<td>Fair value</td>
<td>41,066</td>
<td>40,948</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(1,399)</td>
<td>(16,123)</td>
</tr>
<tr>
<td>Total buildings on freehold land</td>
<td>42,391</td>
<td>23,267</td>
</tr>
</tbody>
</table>

Leasehold improvements:

<table>
<thead>
<tr>
<th>Description</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fair value</td>
<td>21,077</td>
<td>23,133</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>-</td>
<td>(10,499)</td>
</tr>
<tr>
<td>Total leasehold improvements</td>
<td>21,077</td>
<td>12,634</td>
</tr>
<tr>
<td>Total land and buildings</td>
<td>174,293</td>
<td>177,922</td>
</tr>
</tbody>
</table>

AASB 117.31(a)

Land under finance leases was subject to revaluation. The carrying amount of $1,500,000 (2011: $1,000,000) was included in the valuation figures above.

$2,000,000 (2011: $2,000,000) of total leasehold improvements refers to special purpose buildings, which may not be disposed of without prior Ministerial approval.

No indicators of impairment were found for land and buildings.

No land or buildings were expected to be sold or disposed of within the next 12 months.

Note 8B: Property, Plant and Equipment

AASB 116.31

Heritage and cultural:

<table>
<thead>
<tr>
<th>Description</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Artwork</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fair value</td>
<td>10,550</td>
<td>-</td>
</tr>
<tr>
<td>Total heritage and cultural</td>
<td>10,550</td>
<td>-</td>
</tr>
</tbody>
</table>

Other property, plant and equipment:

<table>
<thead>
<tr>
<th>Description</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fair value</td>
<td>73,266</td>
<td>63,425</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(34,196)</td>
<td>(26,840)</td>
</tr>
<tr>
<td>Total other property, plant and equipment</td>
<td>39,070</td>
<td>36,585</td>
</tr>
<tr>
<td>Total property, plant and equipment</td>
<td>49,620</td>
<td>36,585</td>
</tr>
</tbody>
</table>

AASB 116.31 and AASB 117.31(a)

Plant and equipment under finance leases were subject to revaluation. The carrying amount of $1,200,000 (2011: $1,000,000) was included in the valuation figures above.

No indicators of impairment were found for property, plant and equipment.

No property, plant or equipment is expected to be sold or disposed of within the next 12 months.

Revaluations of non-financial assets

AASB 116.77

All revaluations were conducted in accordance with the revaluation policy stated at Note 1. On 30 June 2012, an independent valuer conducted the revaluations.

Revaluation decrement for land was $20,196,000 (2011: nil).

Revaluation increments include $8,502,000 for buildings on freehold land (2011: increment of $2,000,000), $9,464,000 for leasehold improvements (2011: increment of $2,497,000) and $4,097,000 for plant and equipment (2011: decrement of $500,000).

All increments and decrements were transferred to the asset revaluation surplus by asset class and included in the equity section of the balance sheet. No decrements were expensed (2011: $232,000).
### Note 8C: Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment 2012

<table>
<thead>
<tr>
<th></th>
<th>Land $'000</th>
<th>Buildings $'000</th>
<th>Total land and buildings $'000</th>
<th>Heritage and cultural $'000</th>
<th>Other property, plant &amp; equipment $'000</th>
<th>Total $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>As at 1 July 2011</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross book value</td>
<td>132,870</td>
<td>44,378</td>
<td>177,248</td>
<td>-</td>
<td>47,212</td>
<td>224,460</td>
</tr>
<tr>
<td>Accumulated depreciation and impairment</td>
<td>(1,849)</td>
<td>2,523</td>
<td>674</td>
<td>-</td>
<td>(10,627)</td>
<td>(9,953)</td>
</tr>
<tr>
<td><strong>Net book value 1 July 2011</strong></td>
<td>131,021</td>
<td>46,901</td>
<td>177,922</td>
<td>-</td>
<td>36,585</td>
<td>214,507</td>
</tr>
<tr>
<td><strong>AASB 116.73(e)(i)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Additions:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>By purchase</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revaluations and impairments recognised in other comprehensive income</td>
<td>(20,196)</td>
<td>17,966</td>
<td>(2,230)</td>
<td>-</td>
<td>4,097</td>
<td>1,867</td>
</tr>
<tr>
<td>Depreciation expense</td>
<td>-</td>
<td>(1,399)</td>
<td>(1,399)</td>
<td>-</td>
<td>(7,356)</td>
<td>(8,755)</td>
</tr>
<tr>
<td><strong>Disposals:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(5,209)</td>
<td>(5,209)</td>
</tr>
<tr>
<td><strong>Net book value 30 June 2012</strong></td>
<td>110,825</td>
<td>63,468</td>
<td>174,293</td>
<td>10,500</td>
<td>39,070</td>
<td>223,863</td>
</tr>
</tbody>
</table>

**Net book value as of 30 June 2012 represented by:**

<table>
<thead>
<tr>
<th></th>
<th>Land $'000</th>
<th>Buildings $'000</th>
<th>Total land and buildings $'000</th>
<th>Heritage and cultural $'000</th>
<th>Other property, plant &amp; equipment $'000</th>
<th>Total $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross book value</td>
<td>131,021</td>
<td>46,901</td>
<td>177,922</td>
<td>10,500</td>
<td>47,538</td>
<td>235,960</td>
</tr>
<tr>
<td>Accumulated depreciation and impairment</td>
<td>(20,196)</td>
<td>16,567</td>
<td>(3,629)</td>
<td>-</td>
<td>(8,468)</td>
<td>(12,097)</td>
</tr>
<tr>
<td><strong>Net book value 30 June 2012</strong></td>
<td>110,825</td>
<td>63,468</td>
<td>174,293</td>
<td>10,500</td>
<td>39,070</td>
<td>223,863</td>
</tr>
</tbody>
</table>

1. Land, buildings and other property, plant and equipment that met the definition of a heritage and cultural item were disclosed in the heritage and cultural asset class.
**Note 8C (Cont’d): Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment 2011**

<table>
<thead>
<tr>
<th></th>
<th>Land</th>
<th>Buildings</th>
<th>Total land and buildings</th>
<th>Heritage and cultural¹</th>
<th>Other property, plant &amp; equipment</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
</tr>
<tr>
<td><strong>As at 1 July 2010</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accumulated depreciation and impairment</td>
<td>-</td>
<td>(24,648)</td>
<td>(24,648)</td>
<td>-</td>
<td>(15,247)</td>
<td>(39,895)</td>
</tr>
<tr>
<td><strong>Net book value 1 July 2010</strong></td>
<td>132,870</td>
<td>41,878</td>
<td>174,748</td>
<td>-</td>
<td>47,212</td>
<td>221,960</td>
</tr>
</tbody>
</table>

**AASB 116.73(e)(i)**

Additions:
- By purchase or internally developed
  - 2,500

**AASB 116.73(e)(iv)**

Revaluations and impairments recognised in other comprehensive income
- 4,497

**AASB 116.73(e)(v)**

Impairments recognised in the operating result
- (1,974)

**AASB 116.73(e)(vi)**

Reversal of impairments recognised in the operating result
- 3,312

**AASB 116.73(e)(vii)**

Depreciation expense
- (1,974)

Disposals:
- From disposal of entities or operations (including restructuring)
  - (1,849)
- Other
  - (1,846)

**Net book value 30 June 2011**
- 131,021
- 46,901
- 177,922
- 36,585
- 214,507

**Net book value as of 30 June 2011 represented by:**

<table>
<thead>
<tr>
<th></th>
<th>Land</th>
<th>Buildings</th>
<th>Total land and buildings</th>
<th>Heritage and cultural¹</th>
<th>Other property, plant &amp; equipment</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
</tr>
<tr>
<td>Gross book value</td>
<td>132,870</td>
<td>44,378</td>
<td>177,248</td>
<td>-</td>
<td>47,212</td>
<td>224,460</td>
</tr>
<tr>
<td>Accumulated depreciation and impairment</td>
<td>(1,849)</td>
<td>2,523</td>
<td>674</td>
<td>-</td>
<td>(10,627)</td>
<td>(9,953)</td>
</tr>
<tr>
<td><strong>Net book value 30 June 2011</strong></td>
<td>131,021</td>
<td>46,901</td>
<td>177,922</td>
<td>-</td>
<td>36,585</td>
<td>214,507</td>
</tr>
</tbody>
</table>

¹ Land, buildings and other property, plant and equipment that met the definition of a heritage and cultural item were disclosed in the heritage and cultural asset class.
### Note 8E: Intangibles

#### Computer software:
- Internally developed – in progress: 0
- Internally developed – in use: 10,116\(^{\text{'000}}\)
- Accumulated amortisation: (4,806\(^{\text{'000}}\))
- Accumulated impairment losses: (43\(^{\text{'000}}\))

#### Total computer software:
- 5,267\(^{\text{'000}}\)

#### Total intangibles:
- 5,267\(^{\text{'000}}\)

No indicators of impairment were found for intangible assets.

No intangibles are expected to be sold or disposed of within the next 12 months.
### Note 8F: Reconciliation of the Opening and Closing Balances of Intangibles 2012

#### AASB 138.118(e)

<table>
<thead>
<tr>
<th>Computer software internally developed</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$'000</td>
<td>$'000</td>
</tr>
</tbody>
</table>

#### As at 1 July 2011

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross book value</td>
<td>4,980</td>
<td>4,980</td>
</tr>
<tr>
<td>Accumulated amortisation and impairment</td>
<td>(3,359)</td>
<td>(3,359)</td>
</tr>
<tr>
<td><strong>Net book value 1 July 2011</strong></td>
<td>1,621</td>
<td>1,621</td>
</tr>
</tbody>
</table>

#### AASB 138.118(e)(i)

- Additions:
  - By purchase or internally developed: 5,136, 5,136

#### AASB 138.118(e)(vi)

- Amortisation: (1,490), (1,490)

#### Net book value 30 June 2012

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net book value 30 June 2012</strong></td>
<td>5,267</td>
<td>5,267</td>
</tr>
</tbody>
</table>

#### Net book value as of 30 June 2012 represented by:

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross book value</td>
<td>10,116</td>
<td>10,116</td>
</tr>
<tr>
<td>Accumulated amortisation and impairment</td>
<td>(4,849)</td>
<td>(4,849)</td>
</tr>
<tr>
<td><strong>Net book value 30 June 2011</strong></td>
<td>5,267</td>
<td>5,267</td>
</tr>
</tbody>
</table>

### Note 8F (Cont'd): Reconciliation of the Opening and Closing Balances of Intangibles 2011

#### AASB 138.118(e)

<table>
<thead>
<tr>
<th>Computer software internally developed</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$'000</td>
<td>$'000</td>
</tr>
</tbody>
</table>

#### As at 1 July 2010

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross book value</td>
<td>3,880</td>
<td>3,880</td>
</tr>
<tr>
<td>Accumulated amortisation and impairment</td>
<td>(2,849)</td>
<td>(2,849)</td>
</tr>
<tr>
<td><strong>Net book value 1 July 2010</strong></td>
<td>1,031</td>
<td>1,031</td>
</tr>
</tbody>
</table>

#### AASB 138.118(e)(i)

- Additions:
  - By purchase or internally developed: 1,100, 1,100

#### AASB 138.118(e)(iv)

- Revaluations and impairments recognised in the operating result: (43), (43)

#### AASB 138.118(e)(vi)

- Amortisation: (467), (467)

#### Net book value 30 June 2011

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net book value 30 June 2011</strong></td>
<td>1,621</td>
<td>1,621</td>
</tr>
</tbody>
</table>

#### Net book value as of 30 June 2011 represented by:

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross book value</td>
<td>4,980</td>
<td>4,980</td>
</tr>
<tr>
<td>Accumulated amortisation and impairment</td>
<td>(3,359)</td>
<td>(3,359)</td>
</tr>
<tr>
<td><strong>Net book value 30 June 2011</strong></td>
<td>1,621</td>
<td>1,621</td>
</tr>
</tbody>
</table>
Note 8G: Inventories

Inventories held for sale:

<table>
<thead>
<tr>
<th>Description</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work in progress</td>
<td>895</td>
<td>1,332</td>
</tr>
<tr>
<td>Finished goods</td>
<td>3,502</td>
<td>319</td>
</tr>
<tr>
<td><strong>Total inventories held for sale</strong></td>
<td><strong>4,397</strong></td>
<td><strong>1,651</strong></td>
</tr>
<tr>
<td>Inventories held for distribution</td>
<td>1,505</td>
<td>252</td>
</tr>
<tr>
<td><strong>Total inventories</strong></td>
<td><strong>5,902</strong></td>
<td><strong>1,903</strong></td>
</tr>
</tbody>
</table>

AASB 102.36(d) During 2012, $29,144 of inventory held for sale was recognised as an expense (2011: $22,285).

AASB 102.Aus36.1(c) During 2012, $12,124 of inventory held for distribution was recognised as an expense (2011: nil).

AASB 102.36(c) No items of inventory were recognised at fair value less cost to sell.

All inventories are expected to be sold or distributed in the next 12 months.

Note 8I: Other Non-Financial Assets

<table>
<thead>
<tr>
<th>Description</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prepayments</td>
<td>3,650</td>
<td>1,764</td>
</tr>
<tr>
<td><strong>Total other non-financial assets</strong></td>
<td><strong>3,650</strong></td>
<td><strong>1,764</strong></td>
</tr>
</tbody>
</table>

Total other non-financial assets - are expected to be recovered in:

<table>
<thead>
<tr>
<th>Description</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>No more than 12 months</td>
<td>3,650</td>
<td>1,764</td>
</tr>
<tr>
<td><strong>Total other non-financial assets</strong></td>
<td><strong>3,650</strong></td>
<td><strong>1,764</strong></td>
</tr>
</tbody>
</table>

No indicators of impairment were found for other non-financial assets.
### Note 9: Payables

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>$'000</td>
<td>$'000</td>
<td></td>
</tr>
</tbody>
</table>

#### Note 9A: Suppliers

<table>
<thead>
<tr>
<th>Description</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade creditors and accruals</td>
<td>(20,523)</td>
<td>(25,774)</td>
</tr>
<tr>
<td>Operating lease rentals</td>
<td>(564)</td>
<td>(3,273)</td>
</tr>
<tr>
<td><strong>Total suppliers payables</strong></td>
<td>(21,087)</td>
<td>(29,047)</td>
</tr>
</tbody>
</table>

**AASB 101.61**

<table>
<thead>
<tr>
<th>Suppliers payables expected to be settled within 12 months:</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Related entities</td>
<td>(21,087)</td>
<td>(28,205)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>(21,087)</td>
<td>(28,205)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Suppliers payables expected to be settled in greater than 12 months:</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Related entities</td>
<td></td>
<td>(842)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>(842)</td>
</tr>
<tr>
<td><strong>Total suppliers payables</strong></td>
<td>(21,087)</td>
<td>(29,047)</td>
</tr>
</tbody>
</table>

Settlement was usually made within 30 days.

#### Note 9F: Other Payables

<table>
<thead>
<tr>
<th>Description</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages and salaries</td>
<td>(1,100)</td>
<td>(6,114)</td>
</tr>
<tr>
<td>Superannuation</td>
<td>(1,202)</td>
<td>(2,351)</td>
</tr>
<tr>
<td>Separations and redundancies</td>
<td>(358)</td>
<td>(184)</td>
</tr>
<tr>
<td>Prepayments received/unearned income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GST payable</td>
<td></td>
<td>(731)</td>
</tr>
<tr>
<td>Other</td>
<td>(10,268)</td>
<td>(1,250)</td>
</tr>
<tr>
<td><strong>Total other payables</strong></td>
<td>(12,928)</td>
<td>(12,140)</td>
</tr>
</tbody>
</table>

**AASB 101.61**

<table>
<thead>
<tr>
<th>Total other payables are expected to be settled in:</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>No more than 12 months</td>
<td>(11,050)</td>
<td>(10,475)</td>
</tr>
<tr>
<td>More than 12 months</td>
<td>(1,878)</td>
<td>(1,665)</td>
</tr>
<tr>
<td><strong>Total other payables</strong></td>
<td>(12,928)</td>
<td>(12,140)</td>
</tr>
</tbody>
</table>
Note 10: Interest Bearing Liabilities

Note 10A: Loans

<table>
<thead>
<tr>
<th></th>
<th>2012 $'000</th>
<th>2011 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans from Government</td>
<td>(3,327)</td>
<td>(4,592)</td>
</tr>
<tr>
<td><strong>Total loans</strong></td>
<td>(3,327)</td>
<td>(4,592)</td>
</tr>
</tbody>
</table>

**Payable:**

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Within one year</td>
<td>(1,265)</td>
<td>(1,265)</td>
</tr>
<tr>
<td>In one to five years</td>
<td>(2,062)</td>
<td>(3,327)</td>
</tr>
<tr>
<td><strong>Total loans</strong></td>
<td>(3,327)</td>
<td>(4,592)</td>
</tr>
</tbody>
</table>

AASB 7.7

1. The loan was issued on 1 July 2009 and is repayable in annual instalments from 30 June 2010 and ending in 2012-2013. The interest rate implicit in the loan was 9.85%.

There were no loan payable defaults during the period.

Note 10B: Leases

AASB 117.31(a)

<table>
<thead>
<tr>
<th></th>
<th>2012 $'000</th>
<th>2011 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance leases</td>
<td>(7,192)</td>
<td>(10,205)</td>
</tr>
<tr>
<td><strong>Total finance leases</strong></td>
<td>(7,192)</td>
<td>(10,205)</td>
</tr>
</tbody>
</table>

AASB 117.47(a)

**Payable:**

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Within one year</td>
<td>(3,400)</td>
<td>(3,400)</td>
</tr>
<tr>
<td>Deduct: future finance charges</td>
<td>312</td>
<td>387</td>
</tr>
<tr>
<td><strong>In one to five years:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minimum lease payments</td>
<td>(4,634)</td>
<td>(8,034)</td>
</tr>
<tr>
<td>Deduct: future finance charges</td>
<td>530</td>
<td>842</td>
</tr>
<tr>
<td><strong>Finance leases recognised on the balance sheet</strong></td>
<td>(7,192)</td>
<td>(10,205)</td>
</tr>
</tbody>
</table>

AASB 117.31

In 2012, Finance leases existed in relation to certain major office equipment assets. The leases were non-cancellable and for fixed terms averaging 3 years, with a maximum of 5 years. The interest rate implicit in the leases averaged 11% (2011: 11%). The lease assets secure the lease liabilities. The entity guaranteed the residual values of all assets leased. There were no contingent rentals.

Note 10D: Other Interest Bearing Liabilities

<table>
<thead>
<tr>
<th></th>
<th>2012 $'000</th>
<th>2011 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other</td>
<td>(2,058)</td>
<td>(2,363)</td>
</tr>
<tr>
<td><strong>Total other interest bearing liabilities</strong></td>
<td>(2,058)</td>
<td>(2,363)</td>
</tr>
</tbody>
</table>

AASB 101.61

Other interest bearing liabilities are expected to be settled in:

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>No more than 12 months</td>
<td>(2,058)</td>
<td>(2,363)</td>
</tr>
<tr>
<td><strong>Total other interest bearing liabilities</strong></td>
<td>(2,058)</td>
<td>(2,363)</td>
</tr>
</tbody>
</table>

AASB 7.7

1. The entity received incentives in the form of rent free periods on entering property operating leases.
### Note 11: Provisions

#### Note 11A: Employee Provisions

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Leave</td>
<td>(50,795)</td>
<td>(45,347)</td>
</tr>
<tr>
<td>Other</td>
<td>(163)</td>
<td>(651)</td>
</tr>
<tr>
<td>Total employee provisions</td>
<td>(50,958)</td>
<td>(45,998)</td>
</tr>
</tbody>
</table>

Employee provisions are expected to be settled in:

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>No more than 12 months</td>
<td>(35,720)</td>
<td>(32,394)</td>
</tr>
<tr>
<td>More than 12 months</td>
<td>(15,238)</td>
<td>(13,604)</td>
</tr>
<tr>
<td>Total employee provisions</td>
<td>(50,958)</td>
<td>(45,998)</td>
</tr>
</tbody>
</table>

#### Note 11C: Other Provisions

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Provision for guarantee</td>
<td>-</td>
<td>(71)</td>
</tr>
<tr>
<td>Provision for restoration obligations</td>
<td>(3,523)</td>
<td>(3,365)</td>
</tr>
<tr>
<td>Total other provisions</td>
<td>(3,523)</td>
<td>(3,436)</td>
</tr>
</tbody>
</table>

Other provisions are expected to be settled in:

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>More than 12 months</td>
<td>(3,523)</td>
<td>(3,436)</td>
</tr>
<tr>
<td>Total other provisions</td>
<td>(3,523)</td>
<td>(3,436)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Provision for guarantee</th>
<th>Provision for restoration obligations</th>
<th>Total $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>2012</td>
<td></td>
</tr>
<tr>
<td>$'000</td>
<td>$'000</td>
<td></td>
</tr>
<tr>
<td>Carrying amount 1 July 2011</td>
<td>(71)</td>
<td>(3,365)</td>
</tr>
<tr>
<td>Additional provisions made</td>
<td>-</td>
<td>(71)</td>
</tr>
<tr>
<td>Amounts used</td>
<td>71</td>
<td>-</td>
</tr>
<tr>
<td>Unwinding of discount or change in discount rate</td>
<td>-</td>
<td>(87)</td>
</tr>
<tr>
<td>Closing balance 2012</td>
<td>-</td>
<td>(3,523)</td>
</tr>
</tbody>
</table>

The entity’s Educational Services Business Operation provided a guarantee in 2002 in respect of borrowings by one of its service providers. This guarantee was called during the reporting period.

The entity currently has 13 agreements (2011: 11 agreements) for the leasing of premises which have provisions requiring the entity to restore the premises to their original condition at the conclusion of the lease. The entity had made a provision to reflect the present value of this obligation.
### Note 12: Restructuring

#### Note 12A: Departmental Restructuring

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Support Program, Department of Goodwill</td>
<td>$000</td>
<td>$000</td>
</tr>
<tr>
<td><strong>FUNCTIONS ASSUMED</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assets recognised</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prepayments</td>
<td>-</td>
<td>700</td>
</tr>
<tr>
<td>Trade debtors</td>
<td>-</td>
<td>900</td>
</tr>
<tr>
<td><strong>Total assets recognised</strong></td>
<td>-</td>
<td>1,600</td>
</tr>
<tr>
<td>Liabilities recognised</td>
<td>-</td>
<td>(167)</td>
</tr>
<tr>
<td>Trade creditors</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>Total liabilities recognised</strong></td>
<td>-</td>
<td>(167)</td>
</tr>
<tr>
<td><strong>Net assets/(liabilities) assumed¹</strong></td>
<td>-</td>
<td>1,433</td>
</tr>
<tr>
<td>Income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recognised by the receiving entity</td>
<td>-</td>
<td>1,250</td>
</tr>
<tr>
<td>Recognised by the losing entity</td>
<td>-</td>
<td>17,090</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td>-</td>
<td>18,340</td>
</tr>
<tr>
<td>Expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recognised by the receiving entity</td>
<td>-</td>
<td>(2,356)</td>
</tr>
<tr>
<td>Recognised by the losing entity</td>
<td>-</td>
<td>(21,192)</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>-</td>
<td>(23,548)</td>
</tr>
</tbody>
</table>

¹. The Community Support Program was assumed from Department of Goodwill during 2011 as a result of a restructuring of administrative arrangements.

2. The net assets assumed from all entities were $1,433,000.

3. In respect of functions assumed, the net book values of assets and liabilities were transferred to the entity for no consideration.
### Note 13: Cash Flow Reconciliation

#### AASB 107.45

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents as per:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash flow statement</td>
<td>7,089</td>
<td>6,131</td>
</tr>
<tr>
<td>Balance sheet</td>
<td>7,089</td>
<td>6,131</td>
</tr>
<tr>
<td>Difference</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

#### AASB 107.Aus20.2

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reconciliation of net cost of services to net cash from operating activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net cost of services</td>
<td>(123,680)</td>
<td>(80,282)</td>
</tr>
<tr>
<td>Add revenue from Government</td>
<td>151,482</td>
<td>106,745</td>
</tr>
<tr>
<td>Less income tax expense</td>
<td>(5,684)</td>
<td>(17,410)</td>
</tr>
<tr>
<td>Adjustments for non-cash items</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation / amortisation</td>
<td>10,245</td>
<td>13,845</td>
</tr>
<tr>
<td>Gain on disposal of assets</td>
<td>(371)</td>
<td>(755)</td>
</tr>
<tr>
<td>Resources received free of charge - services</td>
<td>(450)</td>
<td>(429)</td>
</tr>
<tr>
<td>Deterioration of financial condition of guarantee during period</td>
<td>-</td>
<td>71</td>
</tr>
<tr>
<td>Changes in assets / liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Increase) / decrease in net receivables</td>
<td>1,618</td>
<td>(23,496)</td>
</tr>
<tr>
<td>(Increase) / decrease in inventories</td>
<td>(3,999)</td>
<td>1,911</td>
</tr>
<tr>
<td>(Increase) / decrease in prepayments</td>
<td>(1,886)</td>
<td>1,504</td>
</tr>
<tr>
<td>Increase / (decrease) in prepayments received</td>
<td>(731)</td>
<td>-</td>
</tr>
<tr>
<td>Increase / (decrease) in employee provisions</td>
<td>4,960</td>
<td>10,061</td>
</tr>
<tr>
<td>Increase / (decrease) in supplier payables</td>
<td>(7,960)</td>
<td>(4,492)</td>
</tr>
<tr>
<td>Increase / (decrease) in other payable</td>
<td>788</td>
<td>12,140</td>
</tr>
<tr>
<td>Increase / (decrease) in other provisions</td>
<td>87</td>
<td>3,365</td>
</tr>
<tr>
<td>Net cash from operating activities</td>
<td>24,419</td>
<td>22,778</td>
</tr>
</tbody>
</table>


**Note 14: Contingent Assets and Liabilities**

<table>
<thead>
<tr>
<th></th>
<th>Guarantees</th>
<th>Claims for damages or costs</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2012 $'000</td>
<td>2011 $'000</td>
<td>2012 $'000</td>
</tr>
<tr>
<td>Contingent assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance from previous period</td>
<td>-</td>
<td>71</td>
<td>150</td>
</tr>
<tr>
<td>New contingent assets recognised</td>
<td>-</td>
<td>-</td>
<td>150</td>
</tr>
<tr>
<td>Assets recognised</td>
<td>(35)</td>
<td>-</td>
<td>(71)</td>
</tr>
<tr>
<td>Total contingent assets</td>
<td>(35)</td>
<td>71</td>
<td>150</td>
</tr>
<tr>
<td>Contingent liabilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance from previous period</td>
<td>-</td>
<td>-</td>
<td>(13)</td>
</tr>
<tr>
<td>Total contingent liabilities</td>
<td>-</td>
<td>(13)</td>
<td>(13)</td>
</tr>
<tr>
<td>Net contingent assets</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Quantifiable Contingencies**

The Schedule of Contingencies reports $13,000 of contingent liabilities disclosure in respect to claims for damages/costs (2011: $13,000). The amount represents an estimate of the entity's liability based on precedent in such cases. The entity is defending the claims.

The Schedule of Contingencies also contains $115,000 of contingent assets in respect to claims for damages/costs and guarantees (2011: $150,000). The estimate is based on precedent in such cases.

**Unquantifiable Contingencies**

The entity’s Education Services Business Operation had a past practice of meeting some of the debts of service providers who are entering into voluntary administration so that the provision of services can continue in the short-term. As of 10 May 2012, a service provider's financial position had deteriorated and administration was likely. It is not possible to estimate the amounts of any eventual payments that may be required in relation to this provider.

At 30 June 2012, the entity had a number of legal claims against it for alleged harassment in the workplace. The entity has denied liability and is defending the claims. It is not possible to estimate the amounts of any eventual payments that may be required in relation to these claims.

**Significant Remote Contingencies**

The entity had no significant remote contingencies.
## Note 15: Directors Remuneration

The number of non-executive directors of the entity included in these figures are shown below in the relevant remuneration bands:

<table>
<thead>
<tr>
<th>Remuneration Band</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0 to $29,999</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>$30,000 to $59,999</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>$60,000 to $89,999</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>$120,000 to $149,999</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>8</strong></td>
<td><strong>7</strong></td>
</tr>
</tbody>
</table>

Total remuneration received or due and receivable by directors of the entity  
655,250  470,000

Remuneration of executive directors is included in Note 17: Senior Executive Remuneration.
Note 16: Related Party Disclosures

<table>
<thead>
<tr>
<th>Loans to Directors and Director-Related Entities</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>$'000</td>
<td>$'000</td>
<td></td>
</tr>
<tr>
<td>Loans to directors outstanding at year-end</td>
<td>204</td>
<td>190</td>
</tr>
<tr>
<td>Loans to directors during the year</td>
<td>64</td>
<td>125</td>
</tr>
<tr>
<td>Loan repayments by directors during the year</td>
<td>50</td>
<td>20</td>
</tr>
<tr>
<td>Loans to director-related entities outstanding at year-end</td>
<td>95</td>
<td>75</td>
</tr>
<tr>
<td>Loans to director-related entities during the year</td>
<td>40</td>
<td>35</td>
</tr>
<tr>
<td>Loan repayments by director-related entities during the year</td>
<td>20</td>
<td>5</td>
</tr>
<tr>
<td>Interest revenue included in operating result from loans to directors/director-related entities</td>
<td>27</td>
<td>3</td>
</tr>
</tbody>
</table>

Other Transactions with Directors or Director-Related Entities

Grants were made to PIR Pty Ltd, which is wholly owned by P R Leung. They were approved under the ABC Loan Schemes Act and were made on normal terms and conditions. The directors involved took no part in the relevant decisions of the board.

| Grants to directors/director-related entities | -    | 65   |
### Note 17: Senior Executive Remuneration

#### Note 17A: Senior Executive Remuneration Expenses for the Reporting Period

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Salary</strong></td>
<td>(885,844)</td>
<td>(798,245)</td>
</tr>
<tr>
<td><strong>Annual leave accrued</strong></td>
<td>(68,142)</td>
<td>(74,562)</td>
</tr>
<tr>
<td><strong>Performance bonuses</strong></td>
<td>(44,294)</td>
<td>(32,987)</td>
</tr>
<tr>
<td><strong>Motor vehicle and other allowances</strong></td>
<td>(101,471)</td>
<td>(97,144)</td>
</tr>
<tr>
<td><strong>Total short-term employee benefits</strong></td>
<td>(1,099,751)</td>
<td>(1,002,938)</td>
</tr>
<tr>
<td><strong>Superannuation</strong></td>
<td>(132,877)</td>
<td>(113,852)</td>
</tr>
<tr>
<td><strong>Total post-employment benefits</strong></td>
<td>(132,877)</td>
<td>(113,852)</td>
</tr>
<tr>
<td><strong>Long-service leave</strong></td>
<td>(21,843)</td>
<td>(15,463)</td>
</tr>
<tr>
<td><strong>Total other long-term benefits</strong></td>
<td>(21,843)</td>
<td>(15,463)</td>
</tr>
<tr>
<td><strong>Termination benefits</strong></td>
<td>(345,085)</td>
<td>(285,478)</td>
</tr>
<tr>
<td><strong>Total employment benefits</strong></td>
<td>(1,599,556)</td>
<td>(1,417,731)</td>
</tr>
</tbody>
</table>

#### Notes:

1. Note 17A is prepared on an accrual basis (therefore the performance bonus expenses disclosed above may differ from the cash ‘Bonus paid’ in Note 17B).
2. Note 17A excludes acting arrangements and part-year service where total remuneration expensed for a senior executive was less than $150,000.
### Note 17B: Average Annual Reportable Remuneration Paid to Substantive Senior Executives During the Reporting Period

#### 2012

<table>
<thead>
<tr>
<th>Average annual reportable remuneration¹</th>
<th>Senior Executives</th>
<th>Reportable salary²</th>
<th>Contributed superannuation³</th>
<th>Reportable allowances⁴</th>
<th>Bonus paid⁵</th>
<th>Total $</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No.</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Total remuneration (including part-time arrangements):</td>
<td>7</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$150,000 to $179,999</td>
<td>3</td>
<td>119,927</td>
<td>18,469</td>
<td>30,073</td>
<td>8,395</td>
<td>176,867</td>
</tr>
<tr>
<td>$180,000 to $209,999</td>
<td>2</td>
<td>123,659</td>
<td>19,043</td>
<td>21,023</td>
<td>8,656</td>
<td>202,383</td>
</tr>
<tr>
<td>$210,000 to $239,999</td>
<td>1</td>
<td>146,745</td>
<td>22,599</td>
<td>53,201</td>
<td>10,272</td>
<td>232,818</td>
</tr>
<tr>
<td>$270,000 to $299,999</td>
<td>1</td>
<td>200,000</td>
<td>30,800</td>
<td>58,654</td>
<td>14,000</td>
<td>298,455</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>7</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### 2011

<table>
<thead>
<tr>
<th>Average annual reportable remuneration¹</th>
<th>Senior Executives</th>
<th>Reportable salary²</th>
<th>Contributed superannuation³</th>
<th>Reportable allowances⁴</th>
<th>Bonus paid⁵</th>
<th>Total $</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No.</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Total remuneration (including part-time arrangements):</td>
<td>8</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$150,000 to $179,999</td>
<td>4</td>
<td>116,852</td>
<td>17,995</td>
<td>32,124</td>
<td>7,595</td>
<td>174,570</td>
</tr>
<tr>
<td>$180,000 to $209,999</td>
<td>2</td>
<td>121,058</td>
<td>18,643</td>
<td>44,535</td>
<td>7,869</td>
<td>192,107</td>
</tr>
<tr>
<td>$210,000 to $239,999</td>
<td>1</td>
<td>144,345</td>
<td>22,229</td>
<td>45,621</td>
<td>9,187</td>
<td>221,383</td>
</tr>
<tr>
<td>$240,000 to $269,999</td>
<td>1</td>
<td>190,000</td>
<td>29,260</td>
<td>42,135</td>
<td>8,124</td>
<td>269,520</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>8</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Notes:**

1. This table reports substantive senior executives who received remuneration during the reporting period. Each row is an averaged figure based on headcount for individuals in the band.

2. 'Reportable salary' includes the following:
   a) gross payments (less any bonuses paid, which are separated out and disclosed in the 'bonus paid' column);
   b) reportable fringe benefits (at the net amount prior to 'grossing up' to account for tax benefits); and
   c) exempt foreign employment income.

3. The 'contributed superannuation' amount is the average actual superannuation contributions paid to senior executives in that reportable remuneration band during the reporting period, including any salary sacrificed amounts, as per the individuals' payslips.

4. 'Reportable allowances' are the average actual allowances paid as per the 'total allowances' line on individuals' payment summaries.

5. ‘Bonus paid’ represents average actual bonuses paid during the reporting period in that reportable remuneration band. The 'bonus paid' within a particular band may vary between financial years due to various factors such as individuals commencing with or leaving the entity during the financial year.

6. Various salary sacrifice arrangements were available to senior executives including superannuation, motor vehicle and expense payment fringe benefits. Salary sacrifice benefits are reported in the 'reportable salary' column, excluding salary sacrificed superannuation, which is reported in the 'contributed superannuation' column.
### Note 17C: Other Highly Paid Staff

<table>
<thead>
<tr>
<th>Average annual reportable remuneration¹</th>
<th>Staff</th>
<th>Reportable salary²</th>
<th>Contributed superannuation³</th>
<th>Reportable allowances⁴</th>
<th>Bonus paid⁵</th>
<th>Total ²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total remuneration (including part-time arrangements):</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$180,000 to $209,999</td>
<td>1</td>
<td>132,650</td>
<td>20,428</td>
<td>32,541</td>
<td>12,314</td>
<td>197,934</td>
</tr>
<tr>
<td>Total</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2011

<table>
<thead>
<tr>
<th>Average annual reportable remuneration¹</th>
<th>Staff</th>
<th>Reportable salary²</th>
<th>Contributed superannuation³</th>
<th>Reportable allowances⁴</th>
<th>Bonus paid⁵</th>
<th>Total ²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total remuneration (including part-time arrangements):</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$180,000 to $209,999</td>
<td>1</td>
<td>123,650</td>
<td>19,042</td>
<td>23,456</td>
<td>15,423</td>
<td>181,572</td>
</tr>
<tr>
<td>$210,000 to $239,999</td>
<td>1</td>
<td>154,650</td>
<td>23,816</td>
<td>35,423</td>
<td>22,345</td>
<td>236,235</td>
</tr>
<tr>
<td>Total</td>
<td>2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Notes:**

1. This table reports staff:
   a) who were employed by the entity during the reporting period;
   b) whose reportable remuneration was $150,000 or more for the financial period; and
   c) were not required to be disclosed in Tables A, B or director disclosures.

2. Each row is an averaged figure based on headcount for individuals in the band.

3. 'Reportable salary' includes the following:
   a) gross payments (less any bonuses paid, which are separated out and disclosed in the 'bonus paid' column);
   b) reportable fringe benefits (at the net amount prior to 'grossing up' to account for tax benefits); and
   c) exempt foreign employment income.

3. The 'contributed superannuation' amount is the average actual contributions paid to senior executives in that reportable remuneration band during the reporting period, including any salary sacrificed amounts, as per the individuals' payslips.

4. 'Reportable allowances' are the average actual allowances paid as per the 'total allowances' line on individuals' payment summaries.

5. 'Bonus paid' represents average actual bonuses paid during the reporting period in that reportable remuneration band. The 'bonus paid' within a particular band may vary between financial years due to various factors such as individuals commencing with or leaving the entity during the financial year.

6. Various salary sacrifice arrangements were available to other highly paid staff including superannuation, motor vehicle and expense payment fringe benefits. Salary sacrifice benefits are reported in the 'reportable salary' column, excluding salary sacrificed superannuation, which is reported in the 'contributed superannuation' column.
### Note 18: Remuneration of Auditors

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>FMO Div 24</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial statement audit services were provided free of charge to the entity by the Australian National Audit Office (ANAO).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>AASB 1054.10</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Fair value of the services provided</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial statement audit services</td>
<td>(450)</td>
<td>(429)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>(450)</td>
<td>(429)</td>
</tr>
<tr>
<td>AASB 1054.11</td>
<td></td>
<td></td>
</tr>
<tr>
<td>No other services were provided by the ANAO.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
**Note 19: Financial Instruments**

### AASB 7.8

#### Note 19A: Categories of Financial Instruments

**Financial Assets**

<table>
<thead>
<tr>
<th>Loans and receivables:</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>7,089</td>
<td>6,131</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>9,213</td>
<td>10,663</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>16,302</strong></td>
<td><strong>16,794</strong></td>
</tr>
</tbody>
</table>

**Carrying amount of financial assets**

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td><strong>16,302</strong></td>
<td><strong>16,794</strong></td>
</tr>
</tbody>
</table>

#### Financial Liabilities

**At amortised cost:**

| Loans from Government | (3,327) | (4,592) |
| Finance leases | (7,192) | (10,205) |
| Other interest bearing liabilities | (2,058) | (2,363) |
| Trade creditors | (21,087) | (29,047) |
| Financial guarantee | - | (71) |
| **Other** | (10,268) | (1,250) |
| **Total** | **(43,932)** | **(47,528)** |

**Carrying amount of financial liabilities**

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td><strong>(43,932)</strong></td>
<td><strong>(47,528)</strong></td>
</tr>
</tbody>
</table>

#### AASB 7.20(a)

#### Note 19B: Net Income and Expense from Financial Assets

**Loans and receivables**

| Interest revenue | - | 42 |

**Net gain from loans and receivables**

| - | - | 42 |

**Net gain from financial assets**

| - | - | 42 |

#### AASB 7.20(b)

There was no interest income from financial assets not at fair value through profit or loss in the year ending 2012 (2011: $42,000).

#### Note 19C: Net Income and Expense from Financial Liabilities

**Financial liabilities - at amortised cost**

| Interest expense | (1,883) | (687) |

**Net loss from financial liabilities - at amortised cost**

| (1,883) | (687) |

**Net loss from financial liabilities**

| (1,883) | (687) |

#### AASB 7.20(b)

The total interest expense from financial liabilities not at fair value through profit or loss was $1,883,000 (2011: $687,000).

#### Note 19E: Fair Value of Financial Instruments

<table>
<thead>
<tr>
<th>Carrying amount</th>
<th>Fair value</th>
<th>Carrying amount</th>
<th>Fair value</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>2012</td>
<td>2011</td>
<td>2011</td>
</tr>
<tr>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
<td>$’000</td>
</tr>
</tbody>
</table>

**Financial Liabilities**

| Loans from Government | (3,327) | (3,526) | (4,592) | (4,868) |

#### AASB 7.25

**Illustrative (CAC Act)**

1. Fair value for Loans from Government, which was determined for disclosure purposes, was calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.
Fair value measurements categorised by fair value hierarchy

The following table provides an analysis of financial instruments that are measured at fair value, by valuation method. The different levels are defined below:

AASB 7.27A

Level 1: Fair value obtained from unadjusted quoted prices in active markets for identical instruments
Level 2: Fair value derived from inputs other than quoted prices included within Level 1 that are observable for the instrument, either directly or indirectly.
Level 3: Fair value derived from inputs that are not based on observable market data.

AASB 7.27B(a)

<table>
<thead>
<tr>
<th>Financial assets at fair value</th>
<th>Level 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2012</td>
<td>2011</td>
</tr>
<tr>
<td>Derivative financial assets</td>
<td>40</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>40</td>
<td>-</td>
</tr>
</tbody>
</table>

There was no transfer between levels.

AASB 7.27B(a)

<table>
<thead>
<tr>
<th>Financial liabilities at fair value</th>
<th>Level 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2012</td>
<td>2011</td>
</tr>
<tr>
<td>Contingent consideration in a business combination</td>
<td>-</td>
<td>(110)</td>
</tr>
<tr>
<td>Total</td>
<td>-</td>
<td>(110)</td>
</tr>
</tbody>
</table>

There was no transfer between levels.
### Reconciliation of Level 3 fair value hierarchy for financial assets

<table>
<thead>
<tr>
<th>AASB 7.27B(c)</th>
<th>Financial assets at fair value</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Derivative financial assets</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2012 $'000</td>
<td>2011 $'000</td>
</tr>
<tr>
<td>Opening balance</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>Purchases</td>
<td>40</td>
<td>-</td>
</tr>
<tr>
<td>Closing balance</td>
<td>40</td>
<td>-</td>
</tr>
</tbody>
</table>

1. No gains or losses for the period have been recognised resulting from the Level 3 Derivative Financial Assets.

### Reconciliation of Level 3 fair value hierarchy for financial liabilities

<table>
<thead>
<tr>
<th>AASB 7.27B(c)</th>
<th>Financial liabilities at fair value</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Contingent consideration in a business combination</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2012 $'000</td>
<td>2011 $'000</td>
</tr>
<tr>
<td>Opening balance</td>
<td>(110)</td>
<td>(110)</td>
</tr>
<tr>
<td>Sales</td>
<td>110</td>
<td>-</td>
</tr>
<tr>
<td>Closing balance</td>
<td>-</td>
<td>(110)</td>
</tr>
</tbody>
</table>

1. No gains or losses for the period have been recognised resulting from the Level 3 Contingent consideration in a business combination.
Note 19H: Credit Risk

The entity was exposed to minimal credit risk as loans and receivables were cash and trade receivables. The maximum exposure to credit risk was the risk that arises from potential default of a debtor. This amount was equal to the total amount of trade receivables (2012: $11,514,000 and 2011: $14,497,000).

The entity had assessed the risk of the default on payment and had allocated $2,301,000 in 2012 (2011: $3,834,000) to an impairment allowance account. The entity managed its credit risk by undertaking background and credit checks prior to allowing a debtor relationship. In addition, the entity had policies and procedures that guided employees debt recovery techniques that were to be applied.

The entity held no collateral to mitigate against credit risk.

| Credit quality of financial instruments not past due or individually determined as impaired |
|---|---|---|---|---|
| | Not past due nor impaired | Not past due nor impaired | Past due or impaired | Past due or impaired |
| | 2012 | 2011 | 2012 | 2011 |
| | $'000 | $'000 | $'000 | $'000 |
| Cash and cash equivalents | 7,089 | 6,131 | - | - |
| Receivables for goods and services | 5,641 | 6,605 | 5,873 | 7,892 |
| Total | 12,730 | 12,736 | 5,873 | 7,892 |

AASB 7.36(c)

Ageing of financial assets that were past due but not impaired for 2012

| Ageing of financial assets that were past due but not impaired for 2012 |
|---|---|---|---|---|
| | 0 to 30 days | 31 to 60 days | 61 to 90 days | 90+ days |
| | $'000 | $'000 | $'000 | $'000 |
| Receivables for goods and services | 3,332 | 669 | 759 | 1,113 |
| Total | 3,332 | 669 | 759 | 1,113 |

AASB 7.37(a)

Ageing of financial assets that were past due but not impaired for 2011

| Ageing of financial assets that were past due but not impaired for 2011 |
|---|---|---|---|---|
| | 0 to 30 days | 31 to 60 days | 61 to 90 days | 90+ days |
| | $'000 | $'000 | $'000 | $'000 |
| Receivables for goods and services | 3,658 | 1,115 | 1,265 | 1,854 |
| Total | 3,658 | 1,115 | 1,265 | 1,854 |
**Note 19I: Liquidity Risk**

The entity's financial liabilities were payables, loans from government, finance leases and other interest bearing liabilities. The exposure to liquidity risk was based on the notion that the entity will encounter difficulty in meeting its obligations associated with financial liabilities. This was highly unlikely due to government funding and mechanisms available to the entity and internal policies and procedures put in place to ensure there were appropriate resources to meet its financial obligations.

**Maturities for non-derivative financial liabilities 2012**

<table>
<thead>
<tr>
<th></th>
<th>On demand</th>
<th>within 1 year</th>
<th>1 to 2 years</th>
<th>2 to 5 years</th>
<th>&gt; 5 years</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans from Government</td>
<td>-</td>
<td>1,265</td>
<td>2,062</td>
<td>-</td>
<td>-</td>
<td>3,327</td>
</tr>
<tr>
<td>Finance Leases</td>
<td>-</td>
<td>3,088</td>
<td>4,104</td>
<td>-</td>
<td>-</td>
<td>7,192</td>
</tr>
<tr>
<td>Trade creditors</td>
<td>-</td>
<td>2,058</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2,058</td>
</tr>
<tr>
<td>Other interest bearing liabilities</td>
<td>-</td>
<td>21,087</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>21,087</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>10,268</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>10,268</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>-</td>
<td>37,766</td>
<td>6,166</td>
<td>-</td>
<td>-</td>
<td>43,932</td>
</tr>
</tbody>
</table>

**Maturities for non-derivative financial liabilities 2011**

<table>
<thead>
<tr>
<th></th>
<th>On demand</th>
<th>within 1 year</th>
<th>1 to 2 years</th>
<th>2 to 5 years</th>
<th>&gt; 5 years</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans from Government</td>
<td>-</td>
<td>1,265</td>
<td>3,327</td>
<td>-</td>
<td>-</td>
<td>4,592</td>
</tr>
<tr>
<td>Finance Leases</td>
<td>-</td>
<td>3,013</td>
<td>7,192</td>
<td>-</td>
<td>-</td>
<td>10,205</td>
</tr>
<tr>
<td>Trade creditors</td>
<td>-</td>
<td>2,363</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2,363</td>
</tr>
<tr>
<td>Other interest bearing liabilities</td>
<td>-</td>
<td>29,047</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>29,047</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>1,250</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,250</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>-</td>
<td>36,938</td>
<td>10,519</td>
<td>-</td>
<td>-</td>
<td>47,457</td>
</tr>
</tbody>
</table>

The entity had no derivative financial liabilities in either 2012 or 2011.

**Note 19J: Market Risk**

The entity held basic financial instruments that did not expose the entity to certain market risks, such as 'Currency risk' and 'Other price risk'.

The only interest-bearing items on the balance sheet were the 'Loans from Government', 'Finance lease' and 'Other interest bearing liabilities'. All bear interest at a fixed interest rate and their values did not fluctuate due to changes in the market interest rate.
## Note 20: Financial Assets Reconciliation

<table>
<thead>
<tr>
<th>Financial assets</th>
<th>Notes</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total financial assets as per balance sheet</td>
<td></td>
<td>37,048</td>
<td>37,708</td>
</tr>
<tr>
<td>Less: non-financial instrument components:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Statutory receivables</td>
<td>7B</td>
<td>19,855</td>
<td>20,914</td>
</tr>
<tr>
<td>Other receivables</td>
<td>7B</td>
<td>891</td>
<td>-</td>
</tr>
<tr>
<td>Total non-financial instrument components</td>
<td></td>
<td>20,746</td>
<td>20,914</td>
</tr>
<tr>
<td>Total financial assets as per financial instruments note</td>
<td></td>
<td>16,302</td>
<td>16,794</td>
</tr>
</tbody>
</table>
### Note 37: Compensation and Debt Relief

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensation and Debt Relief</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Three ‘Act of Grace’ payments were incurred during the reporting period (2011: nil).</td>
<td>$(1,236,000)</td>
<td>-</td>
</tr>
</tbody>
</table>
Note 38: Assets Held in Trust

Monetary assets
Donations and bequests for specified research purposes were received from the public under formal trust arrangements. These monies were not available for other purposes of the entity and were not recognised in the financial statements. These assets were reported as donations and bequests monetary assets, within this note.

Non-monetary assets
The entity had no non-monetary assets held in trust in both the current and prior reporting period.

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donations and Bequests - Monetary Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total amount held at the beginning of the reporting period</td>
<td>$125</td>
<td>$1,875</td>
</tr>
<tr>
<td>Receipts</td>
<td>$3,200</td>
<td>$2,300</td>
</tr>
<tr>
<td>Payments</td>
<td>($2,950)</td>
<td>($4,050)</td>
</tr>
<tr>
<td>Total amount held at the end of the reporting period</td>
<td>$375</td>
<td>$125</td>
</tr>
</tbody>
</table>
### Note 39: Reporting of Outcomes

The entity used an Activity Based Costing System to determine the attribution of its shared items. This system was based on a time and motion study for corporate activities conducted in the year 2004 for the 2005-06 Budget. An update of the time and motion study was concluded for the 2011-12 Budget. The basis of attribution in the table below is consistent with the basis used for the Budget.

### Note 39A: Net Cost of Outcome Delivery

<table>
<thead>
<tr>
<th>Outcome 1</th>
<th>Outcome 2</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>-----------</td>
<td>-----------</td>
<td>-------</td>
</tr>
<tr>
<td>Departmental Expenses</td>
<td>(95,685)</td>
<td>(76,482)</td>
</tr>
<tr>
<td>Own-source income</td>
<td>99,450</td>
<td>87,222</td>
</tr>
<tr>
<td>Net cost of outcome delivery</td>
<td>3,765</td>
<td>10,740</td>
</tr>
</tbody>
</table>

Illustrative (CAC Act)
### Expenses

<table>
<thead>
<tr>
<th></th>
<th>Outcome 1</th>
<th>Outcome 2</th>
<th>Not attributed</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2012 $'000</td>
<td>2012 $'000</td>
<td>2011 $'000</td>
<td>2011 $'000</td>
</tr>
<tr>
<td><strong>Employees</strong></td>
<td>(40,249)</td>
<td>(29,699)</td>
<td>(73,094)</td>
<td>(54,880)</td>
</tr>
<tr>
<td><strong>Suppliers</strong></td>
<td>(50,400)</td>
<td>(41,048)</td>
<td>(136,641)</td>
<td>(110,962)</td>
</tr>
<tr>
<td><strong>Depreciation and amortisation</strong></td>
<td>(4,043)</td>
<td>(5,464)</td>
<td>(6,202)</td>
<td>(8,381)</td>
</tr>
<tr>
<td><strong>Finance costs</strong></td>
<td>(450)</td>
<td>(300)</td>
<td>(239)</td>
<td>(750)</td>
</tr>
<tr>
<td>Write-down and impairment of assets</td>
<td>-</td>
<td>-</td>
<td>(232)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Commonwealth tax equivalent payment</strong></td>
<td>(4,691)</td>
<td>(17,139)</td>
<td>(993)</td>
<td>(271)</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td>(686)</td>
<td>(11)</td>
<td>(550)</td>
<td>(60)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>(104,562)</td>
<td>(98,825)</td>
<td>(223,982)</td>
<td>(183,406)</td>
</tr>
</tbody>
</table>

### Income

<table>
<thead>
<tr>
<th></th>
<th>Outcome 1 $'000</th>
<th>Outcome 2 $'000</th>
<th>Not attributed</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sale of goods and services</strong></td>
<td>55,992</td>
<td>49,456</td>
<td>132,122</td>
<td>116,700</td>
</tr>
<tr>
<td><strong>Income from government</strong></td>
<td>45,364</td>
<td>31,967</td>
<td>106,118</td>
<td>74,778</td>
</tr>
<tr>
<td><strong>Interest on loans</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Gain from disposal of assets</strong></td>
<td>371</td>
<td>755</td>
<td>-</td>
<td>371</td>
</tr>
<tr>
<td><strong>Reversal of previous asset write-downs</strong></td>
<td>-</td>
<td>-</td>
<td>3,312</td>
<td>-</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td>450</td>
<td>429</td>
<td>-</td>
<td>450</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>102,177</td>
<td>82,607</td>
<td>238,240</td>
<td>194,832</td>
</tr>
</tbody>
</table>

### Assets

<table>
<thead>
<tr>
<th></th>
<th>Outcome 1 $'000</th>
<th>Outcome 2 $'000</th>
<th>Not attributed</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash and cash equivalents</strong></td>
<td>2,309</td>
<td>2,046</td>
<td>2,458</td>
<td>2,512</td>
</tr>
<tr>
<td><strong>Trade and other receivables</strong></td>
<td>13,429</td>
<td>11,172</td>
<td>12,047</td>
<td>10,471</td>
</tr>
<tr>
<td><strong>Land and buildings</strong></td>
<td>42,763</td>
<td>43,565</td>
<td>42,079</td>
<td>42,745</td>
</tr>
<tr>
<td><strong>Property, plant and equipment</strong></td>
<td>24,510</td>
<td>16,429</td>
<td>25,110</td>
<td>20,156</td>
</tr>
<tr>
<td><strong>Intangibles</strong></td>
<td>3,102</td>
<td>1,047</td>
<td>2,165</td>
<td>574</td>
</tr>
<tr>
<td><strong>Inventories</strong></td>
<td>1,723</td>
<td>627</td>
<td>2,418</td>
<td>849</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td>1,456</td>
<td>881</td>
<td>1,045</td>
<td>709</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>89,292</td>
<td>79,767</td>
<td>87,064</td>
<td>79,492</td>
</tr>
</tbody>
</table>

### Liabilities

<table>
<thead>
<tr>
<th></th>
<th>Outcome 1 $'000</th>
<th>Outcome 2 $'000</th>
<th>Not attributed</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Suppliers</strong></td>
<td>(11,071)</td>
<td>(7,411)</td>
<td>(9,648)</td>
<td>(2,195)</td>
</tr>
<tr>
<td><strong>Other payables</strong></td>
<td>(4,502)</td>
<td>(3,413)</td>
<td>(5,882)</td>
<td>(3,239)</td>
</tr>
<tr>
<td><strong>Loans</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(3,327)</td>
</tr>
<tr>
<td><strong>Leases</strong></td>
<td>(2,914)</td>
<td>(4,678)</td>
<td>(2,567)</td>
<td>(3,924)</td>
</tr>
<tr>
<td><strong>Other interest bearing liabilities</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(2,058)</td>
</tr>
<tr>
<td><strong>Employee provisions</strong></td>
<td>(18,592)</td>
<td>(16,451)</td>
<td>(15,227)</td>
<td>(15,555)</td>
</tr>
<tr>
<td><strong>Other provisions</strong></td>
<td>(1,145)</td>
<td>(1,102)</td>
<td>(1,309)</td>
<td>(1,172)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>(38,223)</td>
<td>(33,415)</td>
<td>(33,853)</td>
<td>(30,074)</td>
</tr>
</tbody>
</table>

1. Outcomes 1 and 2 are described in Note 1.1. Net costs shown included intra-government costs that were eliminated in calculating the actual Budget Outcome. Refer to Outcome 1 Resourcing Table on page [page no.] and Outcome 2 Resourcing Table on page [page no.] of this Annual Report.
2. Assets and liabilities that could not be reliably attributed to outcomes.
Note 40: Competitive Neutrality and Cost Recovery

Note 40A: Competitive Neutrality - Expenses and Dividend Declared

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commonwealth tax equivalent expense¹</td>
<td>(5,684)</td>
<td>(17,410)</td>
</tr>
<tr>
<td>Total expenses and dividend declared</td>
<td>(5,684)</td>
<td>(17,410)</td>
</tr>
</tbody>
</table>

¹. The amount of Commonwealth tax equivalent payable on the taxable profit for the period was nil as at 30 June 2012 (2011: nil). This differs to the Commonwealth tax equivalent amount disclosed above due to timing differences recognised in accordance with AASB 112 Income Taxes.

Note 40B: Receipts Subject to Cost Recovery Policy

Significant cost recovery arrangements
- Australian Fauna and Flora environmental levy | 5,600 | 6,650 |

Other cost recovery arrangements
- Environmental preservation publication | 350 | 280 |

Total receipts subject to cost recovery policy | 5,950 | 6,930 |
Note 41: Net Cash Appropriation Arrangements

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total comprehensive income less depreciation/amortisation expenses previously funded through revenue appropriations</td>
<td>25,235</td>
<td>14,050</td>
</tr>
<tr>
<td>Plus: depreciation/amortisation expenses previously funded through revenue appropriation</td>
<td>(1,250)</td>
<td>(1,000)</td>
</tr>
<tr>
<td><strong>Total comprehensive income - as per the Statement of Comprehensive Income</strong></td>
<td><strong>23,985</strong></td>
<td><strong>13,050</strong></td>
</tr>
</tbody>
</table>

1. From 2010-11, the Government introduced net cash appropriation arrangements, where revenue appropriations for depreciation/amortisation expenses ceased. Entities now receive a separate capital budget provided through equity appropriations. Capital budgets are to be appropriated in the period when cash payment for capital expenditure is required.