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# Financial Statements

## Financial Statements and Supporting Notes

### **For the year ended 30 June 1999**

Agency Revenues and Expenses

Administered Revenues and Expenses

Agency Assets and Liabilities

Administered Assets and Liabilities

Agency Cash Flows

Administered Cash Flows

Schedule of Commitments

Schedule of Contingencies

Notes to and forming part of the Financial Statements

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# Financial Statements and Supporting Notes for the Year ended 30 June 1999

These financial statements were not directly subject to audit. The information on which the statements were based was provided to the Department of Communications, Information Technology and the Arts for the period 1 July 1998 to 30 June 1999, and will be audited under section 57 of the *Financial Management and Accountability Act 1997* (the Act). This information is reflected in the Annual Report of the Department.

We certify that, in our opinion:

- a) the financial statements, which include Agency Revenues and Expenses, Administered Revenues and Expenses, Agency Assets and Liabilities, Administered Assets and Liabilities, Agency Cash Flows, Administered Cash Flows, Schedule of Commitments, Schedule of Contingencies and Notes to and forming part of the financial statements, are in agreement with the Archives' accounts and records for the year ended 30 June 1999; and
- b) the financial statements give a true and fair view of the matters required by Schedule 2 to the Financial Management and Accountability Orders (Amendment) 1998, issued by the Minister for Finance and Administration in December 1998, and relevant Australian Accounting Standards.

Malcolm Wood  
Assistant Director-General  
National Archives of Australia

31 August 1999

Ka-Hung Ip  
Accountant  
National Archives of Australia

31 August 1999

**AGENCY REVENUES AND EXPENSES**  
for the year ended 30 June 1999

	Notes	1998-99 \$'000	1997-98 \$'000
<b>NET COST OF SERVICES</b>			
<b>Expenses</b>			
Employees	3	16 815	16 378
Suppliers	4	16 349	15 540
Depreciation and amortisation	2(a), 2(k)	3 848	2 629
Interest	2(m)	113	112
Write-down of assets	5	6	179
Net losses from sales of assets	6	485	33
Other costs of providing goods and services		0	0
<b>Total expenses</b>		<b>37 617</b>	34 870
<b>Revenues from independent sources</b>			
Sales of goods and services	2(g), 7	1 177	753
Net gains from sales of assets		0	0
Reversals of previous asset write-downs		0	0
Transfers from provisions		0	0
Other revenue from independent sources	2(h), 7	294	252
<b>Total revenues from independent sources</b>		<b>1 472</b>	1 005
<b>Net cost of services</b>		<b>36 363</b>	33 865
<b>REVENUES FROM GOVERNMENT</b>			
Appropriations used for:			
Ordinary annual services (net appropriation)	2(h), 26	33 421	34 186
Other services		0	0
Liabilities assumed by other departments		0	0
Resources received free of charge	2(t), 8	89	9
<b>Total revenues from government</b>		<b>33 511</b>	34 196
<b>Operating surplus/(deficit) before extraordinary items</b>		<b>(2 852)</b>	331
Net revenues or (expenses) from extraordinary items:			
Restructuring		0	0
<b>Operating surplus/(deficit)</b>		<b>(2 852)</b>	331
Accumulated surplus/(deficit) at 1 July		11 124	10 793
<b>Accumulated surplus/(deficit) at 30 June</b>		<b>8 272</b>	11 124

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

**ADMINISTERED REVENUES AND EXPENSES***for the year ended 30 June 1999*

	Notes	1998-99 \$'000	1997-98 \$'000
REVENUES			
TAXATION			
Income tax		0	0
Sales tax		0	0
Other taxes, fees and fines		0	0
Total taxation		<u>0</u>	<u>0</u>
NON-TAXATION			
Sales of goods and services	2(u)	636	676
Reversal of previous asset write-down		0	0
Charges		0	0
<b>Total non-taxation</b>		<u>636</u>	<u>676</u>
<b>Total revenues</b>		<b>636</b>	<b>676</b>
EXPENSES			
Net write-down of assets		0	439
Other		0	0
<b>Total expenses</b>		<u>0</u>	<u>439</u>
<b>Net contribution/cost to government</b>		<u>636</u>	<u>237</u>
TRANSFER			
Cash from Commonwealth Public Account		0	0
Cash to Commonwealth Public Account		822	884
<b>Net change in administered assets</b>		(185)	(648)
Accumulated surplus/(deficit) at 1 July	23	<u>434</u>	<u>1 082</u>
<b>Accumulated surplus/(deficit) at 30 June</b>	23	<u>249</u>	<u>434</u>

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

## AGENCY ASSETS AND LIABILITIES

as at 30 June 1999

	Notes	1998-99 \$'000	1997-98 \$'000
<b>DEBT</b>			
Loans		0	0
Leases	2(m), 20	708	825
Other		0	0
<b>Total debt</b>		<b>708</b>	<b>825</b>
<b>PROVISIONS AND PAYABLES</b>			
Employees	2(o), 18	5 706	5 485
Suppliers	19	254	262
Other	21	0	0
<b>Total provisions and payables</b>		<b>5 960</b>	<b>5 748</b>
<b>EQUITY</b>			
Capital of business operations		236	0
Accumulated results	23	8 272	11 124
Reserves	23	60 169	0
<b>Total equity</b>	15	<b>68 677</b>	<b>11 124</b>
<b>Total liabilities and equity</b>		<b>75 345</b>	<b>17 696</b>
<b>FINANCIAL ASSETS</b>			
Cash	2(n), 9, 27	185	69
Receivables	2(r), 10	505	306
Investments		0	0
Other		0	0
<b>Total financial assets</b>		<b>690</b>	<b>375</b>
<b>NON-FINANCIAL ASSETS</b>			
Land and buildings	13, 14	0	0
Infrastructure, plant and equipment	2(j), 13, 14, 15	69 595	14 838
Inventories	2(l), 11	196	0
Intangibles	2(j), 2(s), 13, 17	4 426	882
Other	12	438	1 602
<b>Total non-financial assets</b>		<b>74 654</b>	<b>17 321</b>
<b>Total assets</b>		<b>75 345</b>	<b>17 696</b>
<b>Current liabilities</b>		<b>3 161</b>	<b>2 990</b>
<b>Non-current liabilities</b>		<b>3 507</b>	<b>3 583</b>
<b>Current assets</b>		<b>1 324</b>	<b>1 976</b>
<b>Non-current assets</b>		<b>74 021</b>	<b>15 720</b>

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

## ADMINISTERED ASSETS AND LIABILITIES

as at 30 June 1999

	Notes	1998-99 \$'000	1997-98 \$'000
<b>DEBT</b>			
Loans		0	0
Leases		0	0
Deposits		0	0
Overdrafts		0	0
Other		0	0
<b>Total debt</b>		<u>0</u>	<u>0</u>
<b>PROVISIONS AND PAYABLES</b>			
Subsidies		0	0
Grants		0	0
Other		0	0
<b>Total provisions and payables</b>		<u>0</u>	<u>0</u>
<b>EQUITY</b>			
Accumulated results	23	249	435
Reserves	23	0	0
<b>Total equity</b>		<u>249</u>	<u>435</u>
<b>Total liabilities and equity</b>		<u>249</u>	<u>435</u>
<b>FINANCIAL ASSETS</b>			
Cash	9	18	50
Receivables	10	63	172
Investments		0	0
Accrued revenues	22	168	212
Other		0	0
<b>Total financial assets</b>		<u>249</u>	<u>434</u>
<b>NON-FINANCIAL ASSETS</b>			
Land and buildings		0	0
Infrastructure, plant and equipment		0	0
Other		0	0
<b>Total non-financial assets</b>		<u>0</u>	<u>0</u>
<b>Total assets</b>		<u>249</u>	<u>434</u>
<b>Current liabilities</b>		0	0
<b>Non-current liabilities</b>		0	0
<b>Current assets</b>		249	434
<b>Non-current assets</b>		0	0

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

**AGENCY CASH FLOWS**  
for the year ended 30 June 1999

	Notes	1998-99 \$'000	1997-98 \$'000
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Appropriations	2(h)	31 094	31 166
Sales of goods and services	26	859	697
Extraordinary items		0	0
Other	2(h)	294	115
<b>Total cash received</b>		<u>32 247</u>	<u>31 979</u>
<b>Cash used</b>			
Employees		17 349	16 469
Suppliers		14 015	15 011
Interest (include leases)		(94)	67
Extraordinary items		0	0
Other		172	61
<b>Total cash used</b>		<u>31 441</u>	<u>31 608</u>
<b>Net cash from operating activities</b>	25	<u>806</u>	<u>371</u>
<b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Appropriations		2 571	3 020
Proceeds from sales of property, plant and equipment		3	17
Proceeds from sales of equity instruments		0	0
Extraordinary items		0	0
Other		0	0
<b>Total cash received</b>		<u>2 574</u>	<u>3 037</u>
<b>Cash used</b>			
Purchase of property, plant and equipment		(2 571)	(3 020)
Purchase of equity instruments		0	0
Extraordinary items		0	0
Other		0	0
<b>Total cash used</b>		<u>(2 571)</u>	<u>(3 020)</u>
<b>Net cash from investing activities</b>		<u>3</u>	<u>17</u>
<b>FINANCING ACTIVITIES</b>			
<b>Cash received</b>			
Proceeds from borrowing (include leases)		0	0
Extraordinary items		0	0
Other		0	0
<b>Total cash received</b>		<u>0</u>	<u>0</u>
<b>Cash used</b>			
Repayments of borrowing (include leases)		(693)	(331)
Extraordinary items		0	0
Other		0	0
<b>Total cash used</b>		<u>(693)</u>	<u>(331)</u>
<b>Net cash from financing activities</b>		<u>(693)</u>	<u>(331)</u>
<b>Net increase/(decrease) in cash held</b>		116	57
Add: cash at 1 July	9	69	12
Effect of exchange rate movements on cash at 1 July		0	0
<b>Cash at 30 June</b>	9	<u>185</u>	<u>69</u>

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

**ADMINISTERED CASH FLOWS**  
for the year ended 30 June 1999

	Notes	1998-99 \$'000	1997-98 \$'000
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
<b>TAXATION</b>			
Income tax		0	0
Other taxes, fees and fines		0	0
<b>Total taxation</b>		<u>0</u>	<u>0</u>
<b>NON-TAXATION</b>			
Sales of goods and services		789	886
Cash from Commonwealth Public Account		0	0
Extraordinary items		0	0
Other non-taxation		0	0
<b>Total non-taxation</b>		<u>789</u>	<u>886</u>
<b>Total cash received</b>		<b>789</b>	<b>886</b>
<b>Cash used</b>			
Interest (include leases)		0	0
Cash to Commonwealth Public Account	30	(822)	(884)
Extraordinary items		0	0
Other		0	0
<b>Total cash used</b>		<u>(822)</u>	<u>(884)</u>
<b>Net cash from operating activities</b>		<u>(32)</u>	<u>2</u>
<b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Proceeds from sales of property, plant and equipment		0	0
Repayments of advances		0	0
Cash from Commonwealth Public Account		0	0
Extraordinary items		0	0
Other		0	0
<b>Total cash received</b>		<u>0</u>	<u>0</u>
<b>Cash used</b>			
Purchase of property, plant and equipment		0	0
Advance made		0	0
Cash to Commonwealth Public Account		0	0
Extraordinary items		0	0
Other		0	0
<b>Total cash used</b>		<u>0</u>	<u>0</u>
<b>Net cash from investing activities</b>		<u>0</u>	<u>0</u>
<b>FINANCING ACTIVITIES</b>			
<b>Cash received</b>			
Proceeds from borrowing		0	0
Cash from Commonwealth Public Account		0	0
Extraordinary items		0	0
Other		0	0
<b>Total cash received</b>		<u>0</u>	<u>0</u>

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**ADMINISTERED CASH FLOWS***for the year ended 30 June 1999*      *continued*

	Notes	1998-99 \$'000	1997-98 \$'000
<b>Cash used</b>			
Repayments of borrowing (include leases)		0	0
Cash to Commonwealth Public Account		0	0
Extraordinary items		0	0
Other		0	0
<b>Total cash used</b>		<u>0</u>	<u>0</u>
<b>Net cash from financing activities</b>		<u>0</u>	<u>0</u>
<b>Net increase/(decrease) in cash held</b>		(32)	2
Add: cash at 1 July	9	50	48
Effect of exchange rate movements on cash at 1 July		0	0
<b>Cash at 30 June</b>	9	<u>18</u>	<u>50</u>

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

**SCHEDULE OF COMMITMENTS**  
for the year ended 30 June 1999

	Notes	<i>Agency</i>		<i>Administered</i>	
		1998-99 \$'000	1997-98 \$'000	1998-99 \$'000	1997-98 \$'000
<b>BY TYPE</b>					
<b>CAPITAL COMMITMENTS</b>					
Land and buildings		0	0	0	0
Plant and equipment	2(m)	854	990	0	0
Investments		0	0	0	0
Other capital commitments		0	0	0	0
<b>Total capital commitments</b>		<b>854</b>	<b>990</b>	<b>0</b>	<b>0</b>
<b>OTHER COMMITMENTS</b>					
Operating leases	2(m)	720	1 287	0	0
Project commitments		0	0	0	0
Research and development		0	0	0	0
Other commitments		1 932	1 851	0	0
<b>Total other commitments</b>		<b>2 652</b>	<b>3 138</b>	<b>0</b>	<b>0</b>
<b>COMMITMENT RECEIVABLES</b>					
<b>Net commitments</b>		<b>3 506</b>	<b>4 128</b>	<b>0</b>	<b>0</b>
<b>BY MATURITY</b>					
One year or less		2 460	2 427	0	0
From one to two years		1 023	1 057	0	0
From two to five years		24	644	0	0
Over five years		0	0	0	0
<b>Net commitments</b>		<b>3 506</b>	<b>4 128</b>	<b>0</b>	<b>0</b>

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

**SCHEDULE OF CONTINGENCIES**  
for the year ended 30 June 1999

	Notes	<i>Agency</i>		<i>Administered</i>	
		1998-99 \$'000	1997-98 \$'000	1998-99 \$'000	1997-98 \$'000
<b>CONTINGENT LOSSES</b>					
Guarantees to PTEs		0	0	0	0
Guarantees to PFEs		0	0	0	0
Other guarantees		0	0	0	0
Indemnities		0	0	0	0
Uncalled shares		0	0	0	0
Claims for damages/costs		0	0	0	0
Other		0	0	0	0
<b>Total contingent losses</b>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>CONTINGENT GAINS</b>					
Other		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total contingent gains</b>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Net contingencies</b>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Note: 'contingencies' are conditions, situations or circumstances that:

- (a) exist at the end of the reporting period;
- (b) create uncertainty as to possible gain or loss to an entity; and
- (c) will be confirmed only on the occurrence or non-occurrence of one or more uncertain future events.

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

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
*for the year ended 30 June 1999*

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## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 1999

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### NOTE 1. ORGANISATIONAL OBJECTIVES

The National Archives of Australia's (the Archives) objectives are to ensure full and accurate recording of government administration and decisions; to direct resources increasingly towards the identification, control, preservation and accessibility of higher value records; and to promote wider accessibility and use of the archival resources of Australia.

### NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### (a) Basis of Accounting

The financial statements (the statements) have been prepared in accordance with Schedule 2 to the Financial Management and Accountability (FMO) Orders made by the Minister for Finance and Administration. Schedule 2 requires that the financial statements are prepared:

- in compliance with Australian Accounting Standards, Accounting Guidance Releases and Urgent Issues Group consensus views; and
- having regard to Statements of Accounting Concepts.

The statements have been prepared on an accrual basis and are in accordance with historical cost convention, except for fixed assets which, as noted, are at deprival valuation. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

The continued existence of the Archives in its present form is dependent on Government policy and on continuing appropriations by Parliament for the Archives' administration.

#### (b) Rounding

All amounts have been rounded to the nearest thousand dollars, apart from the amounts shown in Note 26 which have been rounded to the nearest dollar.

#### (c) Foreign Currency

Amounts payable to and by the Archives in foreign currencies have been translated to Australian currency at rates of exchange prevailing at 30 June 1999. Transactions occurring during the year have been converted at the rate of exchange prevailing at the date of each transaction.

Currency gains and losses are not recognised in the financial statements as the Department of Finance and Administration assumes responsibility for any agency's foreign currency exposure. The net amount of such gains and losses is not considered material to the Archives' operations.

#### (d) Comparative Figures

Comparative figures for the year ended 30 June 1999 have been included for all financial statements, including the Notes.

Where necessary and practicable, figures have been adjusted in value or reclassified to conform with changes in reporting requirements in the current year.

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**(e) Asset Capitalisation Threshold**

Purchases of property, plant and equipment are recognised initially at cost in the statement of Assets and Liabilities, except for purchases costing less than \$2 000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

**(f) The Government Agency Reporting Entity**

All resources used by the Archives to carry on its functions have been included in these financial statements.

*Administered Resources*

The Archives administers but does not control certain resources on behalf of the Government. It is accountable for the transactions involving those administered resources, but does not have the discretion to deploy the resources for achievement of the Archives' objectives. For these resources, the Archives acts only on behalf of the Government. The accrual basis of accounting has been used in accounting for administered resources.

Transactions and balances relating to these administered resources are not recognised as departmental revenues, expenses, assets or liabilities, but are disclosed in the relevant financial statements.

*Non-current Assets*

All non-current assets controlled by the Archives are reported in the Statement of Assets and Liabilities.

**(g) User Charges, Fines and Fees**

User charges, fines and fees controlled by the Archives are recognised as revenues. User charges, fines and fees are controlled by the Archives where they can be deployed for the achievement of the Archives' objectives. Such amounts are not required to be paid to the Consolidated Revenue Fund.

User charges, fines and fees collected by the Archives but not controlled by it are not recognised as revenues, but are reported as administered revenues in the Operating Statement. Such amounts are required to be paid to the Consolidated Revenue Fund.

**(h) Appropriations and Grants**

Appropriations for the Archives operations other than running costs are recognised as revenue to the extent that the appropriations are spent.

The Archives recognises:

- as revenue an amount equal to the base funding spent in the year or carried over to the next year.
- as a receivable, an amount equal to the amount of unspent appropriation carried over to the next financial year; and
- as a liability, outstanding amounts of running costs borrowings.

The Archives receives a number of grants. Except as indicated below, grants received by the Archives are recognised as receivables and revenues in the year in which grant agreements are made. The amounts recognised are the full amounts subject to the agreement.

**(i) Acquisition of Assets**

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Archives. Cost is determined as the consideration plus costs incidental to the acquisition and all other costs incurred in getting the assets ready for use.

## **(j) Revaluation of Non-current Assets**

Schedule 2 requires that property, plant and equipment be progressively revalued in accordance with the 'deprival' method of valuation by 1 July 1999 and thereafter be revalued progressively on that basis every three years.

Except for the computer leases, for which the value is determined by the lease contract, the Archives has completed the deprival revaluation for all asset classes. This includes plant and equipment; leasehold improvement; office machines; furniture and fittings; computer-related items; licence softwares and in-house developed softwares. All valuations are performed by in-house expertise.

Acquisition cost is recognised as the deprival value for assets acquired post 30 June 1998.

Assets will continue to be revalued progressively every three years. The financial effect of the movement is that the carrying amounts of assets will reflect current values and that depreciation charges will reflect the current cost of the service potential consumed in each period.

## **(k) Depreciation of Non-current Assets**

Depreciable property, plant and equipment assets are written off to their estimated residual values over their estimated useful lives to the Archives using, in all cases, the straight line method of depreciation.

Depreciation rates (useful lives) and methods are reviewed at each balance date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate. Residual values are re-estimated for a change in prices only when assets are revalued.

Depreciation rates applying to each class of depreciable assets are as follows:

	<b>1998-99</b>	<b>1997-98</b>
Leasehold Improvements	<b>5 years</b>	5 years
Computer Equipment	<b>5 years</b>	5 years
Office Machines	<b>5 years</b>	5 years
Furniture and Fittings	<b>5 years</b>	5 years
Plant and Equipment	<b>10 years</b>	10 years
Software	<b>3 years</b>	3 years
Shelving	<b>40 years</b>	40 years

## **(l) Inventories**

Inventories held for resale are valued at the lower of cost and net realisable value.

Inventories not held for resale are valued at cost, unless they are no longer required, in which case they are valued at net realisable value.

Costs incurred in bringing each item of inventory to its present location and condition are assigned as follows:

- raw materials and stores – purchase cost on a First-In-First-Out (FIFO) basis; and
- finished goods and work in progress – cost of direct materials and labour plus attributable costs that are capable of being allocated on a reasonable basis.

## **(m) Leases**

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

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As at 30 June 1999, the Archives has finance leases on computers, printers and related equipment which have lease terms of 16 months and 60 months (5 years).

Leased assets and liabilities are recognised at the present value of the minimum lease payment which is the sum of the total lease payment over the lease terms and any guarantee residual value of the lease.

Leased assets are amortised over periods stated in lease agreements. Accordingly, amortisation is charged as an expense in the Operating Statement.

Lease interest is calculated from the interest rate implicit in the lease agreement. The average interest rate is 11.25% p.a.

All leases over the Archives' administrative buildings are classified as operating leases. Operating lease payments are charged to the Operating Statement in the periods in which they are incurred.

**(n) Cash**

Cash includes notes and coins held and the balance of the Archives' business operation accounts.

**(o) Employee Entitlements**

Employee entitlements including annual leave, leave bonus and long service leave have been recognised as liabilities. They are calculated on the basis of entitlements outstanding as at 30 June 1999 in the automated *NOMAD* Human Resource Management system.

In compliance with AAS 30, liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given, when assessing expected future payments, to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using 5% estimated future cash outflows. The determination of current and non-current portions of long service leave liability is provided by the Department, ie 3% and 97% respectively.

Provision is also made for separation and redundancy payments in circumstances where the Archives has formally identified positions as excess to requirements and a reliable estimate of the amount of the payments can be determined.

Adopting the concept of Last-In-First-Out (LIFO), no provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of the Archives is estimated to be less than the annual entitlement for sick leave.

Employee superannuation – both Employer Contribution and Productivity Contribution – is included in the Archives' running costs. No notional liability is assumed by the Department of Finance and Administration for the Employer Contribution.

**(p) Taxation**

The Archives' activities are exempt from taxation except for fringe benefits tax.

**(q) Insurance**

The Archives has insured on assets and public liability under the general insurance policy provided by Comcover, which is administered by the Department of Finance and Administration, commencing in November 1998.

**(r) Receivables**

All outstanding accounts were reviewed at 30 June 1999 and provision for doubtful debts was not considered necessary.

**(s) Intangibles**

In compliance with the Finance Minister's Orders, assets relating to computer software systems (purchase or in-house developed) are regarded as intangible assets which are amortised over their useful life.

**(t) Resources Received Free of Charge**

Services received free of charge are recognised in the statement of Revenues and Expenses as revenue when and only when a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised in the Net Cost of Services.

**(u) Administered Transactions**

Administered revenues are those revenues which do not form part of the Archives' annotated appropriation. They are items which are controlled by the Government and managed or oversighted by the Archives on behalf of the Government.

No administered expenses were incurred. All running costs are charged as Archives' expenses (including running costs incurred in relation to administered activities).

The purposes of the separation of agency and administered items is to enable assessment of the administrative efficiency of the Archives in providing goods and services.

Administered items are distinguished from agency items in the financial statements by shading.

	1998-99	1997-98
	\$'000	\$'000

**NOTE 3. EMPLOYEE EXPENSES**

Remuneration for services provided	13 839	13 522
Increase in provision for employee entitlements	126	(47)
Superannuation expense	2 146	2 208
Separation and redundancy payments	704	695
	<u>16 815</u>	<u>16 378</u>

**NOTE 4. SUPPLIERS EXPENSES**

Supply of goods and services	9 334	10 006
Operating lease rentals	7 005	5 534
	<u>16 349</u>	<u>15 540</u>

	1998-99 \$'000	1997-98 \$'000
<b>NOTE 5. WRITE-DOWN OF ASSETS</b>		
Financial assets		
Receivables		
Bad debts written off	1	175
Non-financial assets		
Portable and attractive items	1	4
Fixed Assets	5	0
	<u>6</u>	<u>179</u>

**NOTE 6. LOSSES FROM SALE OF PROPERTY,  
PLANT AND EQUIPMENT**

Non-financial assets		
Land and buildings	0	0
Plant and equipment	(485)	(33)
	<u>(485)</u>	<u>(33)</u>

**NOTE 7. REVENUE**

Revenue from independent sources comprises:		
User charges	959	753
Reversal of previous assets written down	0	0
Grant revenue	294	252
	<u>1 254</u>	<u>1 005</u>

**NOTE 8. RESOURCES RECEIVED FREE OF CHARGE**

Department of Finance and Administration		
Payroll and cheque processing	6	9
Comcover insurance	83	0

**NOTE 9. CASH**

**Agency:**

Cash on hand	8	14
Cash in trust	177	54
Cash at bank	0	0
Cash in transit	0	0
	<u>185</u>	<u>69</u>

**Administered:**

Cash on hand	0	0
Cash at bank	5	44
Cash in transit	12	6
	<u>18</u>	<u>50</u>

Cash on hand represents actual balances in petty cash and postage advance accounts, other than the Commonwealth Public Account (CPA). Cash in trust represents actual balances in the Archives' Activities Reserve Money Fund. Cash in transit represents unbanked and unrepresented cheques. Cash at bank represents the Archives' CPA balance as at 30 June 1999.

	1998-99 \$'000	1997-98 \$'000
<b>NOTE 10. RECEIVABLES</b>		
Agency:		
Current		
Appropriations carried over	236	0
Goods and services	269	169
Other	0	137
Less: provision for doubtful debts	0	0
Total current agency receivables	<u>505</u>	<u>306</u>
Receivables are aged as follows:		
Not overdue (current)	457	239
Overdue by:		
less than 30 days	9	23
30 to 60 days	12	13
more than 60 days	26	31
Less: provision for doubtful debts	0	0
	<u>505</u>	<u>306</u>
Non-current		
Goods and services	0	0
Other	0	0
Total non-current agency receivables	<u>0</u>	<u>0</u>
Total agency receivables	<u>505</u>	<u>306</u>

<b>Administered:</b>		
<b>Current</b>		
Fees	63	172
Other	0	0
Less: provision for doubtful debts	0	0
<b>Total current administered receivables</b>	<u>63</u>	<u>172</u>
Receivables are aged as follows:		
Not overdue (current)	7	40
Overdue by:		
less than 30 days	1	0
30 to 60 days	32	16
more than 60 days	23	116
Less: provision for doubtful debts	0	0
	<u>63</u>	<u>172</u>
<b>Non-current</b>		
Fees	0	0
Other	0	0
<b>Total non-current administered receivables</b>	<u>0</u>	<u>0</u>
<b>Total administered receivables</b>	<u>63</u>	<u>172</u>

	1998-99	1997-98
	\$'000	\$'000

**NOTE 11. INVENTORIES**

Non-financial assets		
Current	196	0
Non-current	<u>0</u>	<u>0</u>
	<u>196</u>	<u>0</u>

Inventory is valued at the lower of cost and net realisable value. Cost has been determined by identification of relevant costs of production and FIFO methods.

**NOTE 12. OTHER ASSETS**

Other financial assets		
Current	0	0
Non-current	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>
Other non-financial assets		
Current		
Prepayments paid	261	1 602
Other	0	0
Non-current		
Prepayments paid	0	0
Other	<u>0</u>	<u>0</u>
	<u>261</u>	<u>1 602</u>
<b>Total other assets</b>	<u>261</u>	<u>1 602</u>

	1998-99 \$'000	1997-98 \$'000
<b>NOTE 13. PROPERTY, PLANT AND EQUIPMENT</b>		
Fitout (leasehold improvements)		
At cost	58 020	4 808
Less: accumulated depreciation	<u>(4 184)</u>	<u>(3 245)</u>
	53 836	1 563
Plant and equipment		
At cost	1 972	1 824
Less: accumulated depreciation	<u>(642)</u>	<u>(459)</u>
	1 330	1 365
Shelving		
At cost	15 799	10 437
Less: accumulated depreciation	<u>(3 244)</u>	<u>(1 177)</u>
	12 555	9 260
Office machines		
At cost	1 365	1 590
Less: accumulated depreciation	<u>(729)</u>	<u>(920)</u>
	636	670
Furniture and fittings		
At cost	404	451
Less: accumulated depreciation	<u>(66)</u>	<u>(294)</u>
	338	157
Computers		
At cost	754	2 890
Less: accumulated depreciation	<u>(525)</u>	<u>(1 934)</u>
	229	956
Computer software systems		
At cost	5 994	7 770
Less: accumulated depreciation	<u>(1 568)</u>	<u>(6 888)</u>
	4 426	882
Computer lease		
At cost	2 014	1 687
Less: accumulated amortisation	<u>(1 343)</u>	<u>(821)</u>
	671	866
<b>Total property, plant and equipment</b>	<u><b>74 021</b></u>	<u><b>15 720</b></u>

NOTE 14. ANALYSIS OF AGGREGATE PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLES

Agency:

	1998-99	1997-98	1998-99	1997-98	1998-99	1997-98	1998-99	1997-98	1998-99	1997-98	1998-99	1997-98			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000			
	Land			Buildings			Land & Buildings			Total Plant & Equipment			Shelving		
Gross value at 1 July	0	0	0	0	0	0	0	0	1 824	1 826	10 437	10 084			
Additions	0	0	0	0	0	0	0	0	181	0	3	344			
Revaluations	0	0	0	0	0	0	0	0	37	0	5 198	0			
Disposals	0	0	0	0	0	0	0	0	(75)	(9)	(1)	0			
Other movements	0	0	0	0	0	0	0	0	5	6	163	8			
Sub-total at 30 June	0	0	0	0	0	0	0	0	1 972	1 824	15 799	10 437			
Accumulated depreciation/ amortisation at 1 July	0	0	0	0	0	0	0	0	459	268	1 177	853			
Charge for assets held at 1 July	0	0	0	0	0	0	0	0	204	180	259	253			
Charge for additions	0	0	0	0	0	0	0	0	12	0	0	1			
Adjustment for revaluations	0	0	0	0	0	0	0	0	0	0	1 659	0			
Adjustment for disposals	0	0	0	0	0	0	0	0	(39)	(5)	0	0			
Adjustment for other movements	0	0	0	0	0	0	0	0	10	15	150	69			
Accumulated depreciation/ amortisation at 30 June	0	0	0	0	0	0	0	0	647	459	3 244	1 177			
Net book value at 1 July	0	0	0	0	0	0	0	0	1 365	1 558	9 260	9 231			
Net book value at 30 June	0	0	0	0	0	0	0	0	1 326	1 365	12 555	9 260			

**NOTE 14. ANALYSIS OF AGGREGATE PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLES (continued):**

**Agency:**

	1998-99 \$'000	1997-98 \$'000	1998-99 \$'000	1997-98 \$'000	1998-99 \$'000	1997-98 \$'000	1998-99 \$'000	1997-98 \$'000	1998-99 \$'000	1997-98 \$'000
	Furniture & Fittings		Office Machines		Computers		Fitout		Computer Lease	
Gross value at 1 July	451	399	1 590	1 412	2 890	2 865	4 808	3 333	1 687	1 509
Additions	32	66	134	243	73	118	556	1 475	330	267
Revaluations	(51)	0	43	0	(212)	0	52 895	0	0	0
Disposals	(4)	0	(294)	(65)	(1 711)	(225)	(0)	0	(28)	0
Other movements	(24)	(14)	(107)	0	(286)	132	(240)	0	26	(89)
Sub-total at 30 June	404	451	1 365	1 590	754	2 890	58 020	4 808	2 014	1 687
Accumulated depreciation/ amortisation at 1 July	294	312	920	749	1 934	1 954	3 245	2 838	821	223
Charge for assets held at 1 July	71	9	230	97	307	142	992	401	521	585
Charge for additions	6	0	0	5	4	17	0	0	0	29
Adjustment for revaluations	(289)	0	(94)	0	(47)	0	102	0	0	0
Adjustment for disposals	(15)	0	(280)	(82)	(1 444)	(175)	(0)	0	(27)	0
Adjustment for other movements	(1)	(27)	(47)	149	(229)	(3)	(155)	6	28	(16)
Accumulated depreciation/ amortisation at 30 June	66	294	729	920	525	1 934	4 184	3 245	1 343	821
Net book value at 1 July	157	87	670	663	956	911	1 563	495	866	1 287
Net book value at 30 June	338	157	636	670	229	956	53 836	1 563	671	866

**NOTE 14. ANALYSIS OF AGGREGATE PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLES (continued):**

Agency:

	1998-99 \$'000	1997-98 \$'000	1998-99 \$'000	1997-98 \$'000	1998-99 \$'000	1997-98 \$'000
	Purchased Software		In-house Developed Software		Total	
Gross value at 1 July	819	519	6 951	6 327	31 456	28 275
Additions	177	267	1 121	624	2 607	3 403
Revaluations	(325)	0	(2 810)	0	54 774	0
Disposals	(7)	0	0	0	(2 120)	(300)
Other movements	2	33	65	0	(396)	77
Sub-total at 30 June	666	819	5 328	6 951	86 322	31 456
Accumulated depreciation/ amortisation at 1 July	310	194	6 578	5 732	15 736	13 123
Charge for assets held at 1 July	58	116	572	690	3 215	2 474
Charge for additions	0	0	633	104	655	155
Adjustment for revaluations	90	0	(6 646)	0	(5 226)	0
Adjustment for disposals	(5)	0	0	0	(1 809)	(261)
Adjustment for other movements	0	0	(23)	52	(266)	245
Accumulated depreciation/ amortisation at 30 June	455	310	1 114	6 578	12 306	15 736
Net book value at 1 July	509	324	373	595	15 719	15 152
Net book value at 30 June	212	509	4 214	373	74 015	15 719

**Administered:**

No administered property, plant and equipment and intangibles were held by the Archives as at 30 June 1999.

NOTE 15. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLES HELD AT VALUATION

Agency:

	Land \$'000	Buildings \$'000	Plant & Equipment \$'000	Shelving \$'000	Furniture & Fittings \$'000	Office Machines \$'000	Computers \$'000	Fitout \$'000	Computer Lease \$'000	Purchased Software \$'000	In-house Developed Software \$'000	Total \$'000
<b>As at 30 June 1998</b>												
Gross value	0	0	1 824	10 437	451	1 590	2 890	4 808	1 687	819	6 951	31 456
Accumulated depreciation/ amortisation	0	0	(459)	(1 177)	(294)	(920)	(1 934)	(3 245)	(821)	(310)	(6 578)	(15 736)
Other movements	0	0	0	0	0	0	0	0	0	0	0	0
Net book value	0	0	1 365	10 437	451	1 590	2 890	4 808	1 687	819	6 951	15 720
<b>As at 30 June 1999</b>												
Gross value	0	0	1 935	10 602	455	1 322	966	5 124	2 014	884	8 072	31 375
Accumulated depreciation/ amortisation	0	0	0	0	0	0	0	0	0	0	0	0
Revaluation	0	0	37	5 198	(51)	43	(212)	52 895	0	(218)	(2 744)	54 947
Other adjustments	0	0	4	(1 659)	289	94	47	(102)	0	(108)	6 669	5 234
Net book value	0	0	1 330	12 555	338	636	229	53 836	671	212	4 214	86 322

**Administered:**

No administered property, plant and equipment and intangibles were held at valuation by the Archives as at 30 June 1999.

## NOTE 16.

## PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLES HELD UNDER FINANCE LEASE

## Agency:

	Land \$'000	Buildings \$'000	Equipment \$'000	Plant & Equipment \$'000	Shelving & Fittings \$'000	Furniture & Fittings \$'000	Office Machines \$'000	Computers \$'000	Fitout \$'000	Computer Lease \$'000	Purchased Software \$'000	Developed Software \$'000	In-house Total \$'000
<b>As at 30 June 1998</b>													
Gross value	0	0	0	0	0	0	0	0	0	1 687	0	0	1 687
Accumulated depreciation/ amortisation	0	0	0	0	0	0	0	0	0	(821)	0	0	(821)
Other movements	0	0	0	0	0	0	0	0	0	0	0	0	0
Net book value	0	0	0	0	0	0	0	0	0	866	0	0	866
<b>As at 30 June 1999</b>													
Gross value	0	0	0	0	0	0	0	0	0	2 014	0	0	2 014
Accumulated depreciation/ amortisation	0	0	0	0	0	0	0	0	0	(1 343)	0	0	(1 343)
Other movements	0	0	0	0	0	0	0	0	0	0	0	0	0
Net book value	0	0	0	0	0	0	0	0	0	671	0	0	671

**Administered:**

No administered property, plant and equipment and intangibles were held under finance lease by the Archives as at 30 June 1999.

1998-99	1997-98
\$'000	\$'000

**NOTE 17. INTANGIBLES**

**Agency:**

Patents, trade marks, brand names, licences	0	0
Computer software		
purchased	212	509
internally developed	4 214	373
Research and development expenditure capitalised	0	0
Goodwill	0	0
Other	0	0
	<u>4 426</u>	<u>882</u>

No administered intangibles are held by the Archives as at 30 June 1999.

**NOTE 18. PROVISIONS AND PAYABLES RELATED TO EMPLOYEES**

Salaries and wages	419	340
Leaves (long service leave and annual leave)		
Current	1 956	1 869
Non-current	3 140	3 110
Superannuation	70	60
Separations and redundancies	122	78
Other	0	28
	<u>5 706</u>	<u>5 485</u>

**NOTE 19. PROVISIONS AND PAYABLES RELATED TO SUPPLIERS**

Trade creditors	254	262
Other creditors	0	0
	<u>254</u>	<u>262</u>

**NOTE 20. LEASE LIABILITIES**

Finance lease commitments as at 30 June 1999:

Not later than one year	443	442
Later than one year and not later than two years	411	293
Later than two years and not later than five years	0	255
Later than five years	0	0
Minimum lease payments	<u>854</u>	<u>990</u>
Less: future finance charges	(146)	(165)
Lease liability	<u>708</u>	<u>825</u>

Lease liability is represented by:

Current	341	352
Non-current	367	473
	<u>708</u>	<u>825</u>

1998-99	1997-98
\$'000	\$'000

**NOTE 21. OTHER LIABILITIES**

Unearned income	0	0
Other	0	0
	<u>0</u>	<u>0</u>

**NOTE 22. ACCRUED REVENUE**

**Administered:**

Fees	168	212
Interest	0	0
Other	0	0
	<u>168</u>	<u>212</u>

**NOTE 23. ANALYSIS OF EQUITY**

Agency:

	Accumulated results		Asset revaluation reserve		Total equity	
	1998-99 \$'000	1997-98 \$'000	1998-99 \$'000	1997-98 \$'000	1998-99 \$'000	1997-98 \$'000
Balance at 1 July	11 124	10 793	0	0	11 124	10 793
Operating result	(2 852)	331	0	0	(2 852)	331
Dividends	0	0	0	0	0	0
Net revaluation increases	0	0	60 169	0	60 169	0
Transfers to/from reserves	0	0	0	0	0	0
Changes in accounting policy	0	0	0	0	0	0
Capital	236	0	0	0	236	0
Balance at 30 June	<u>8 507</u>	<u>11 124</u>	<u>60 169</u>	<u>0</u>	<u>68 677</u>	<u>11 124</u>

	Accumulated results		Asset revaluation reserve		Administered investments reserve		Total equity	
	1998-99 \$'000	1997-98 \$'000	1998-99 \$'000	1997-98 \$'000	1998-99 \$'000	1997-98 \$'000	1998-99 \$'000	1997-98 \$'000
Balance at 1 July	434	1 082	0	0	0	0	434	1 082
Operating result	(185)	(648)	0	0	0	0	(185)	(648)
Dividends	0	0	0	0	0	0	0	0
Net revaluation increases	0	0	0	0	0	0	0	0
Transfers to/from reserves	0	0	0	0	0	0	0	0
Changes in accounting policy	0	0	0	0	0	0	0	0
Capital	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Balance at 30 June	<u>249</u>	<u>434</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>249</u>	<u>434</u>

	1998-99 \$'000	1997-98 \$'000
<b>NOTE 24. EXECUTIVE REMUNERATION</b>		
The aggregate amount of fixed remuneration of executive officers	395	357
The aggregate amount of performance pay paid during the year to officers	0	0
<b>NOTE 25. CASH FLOW RECONCILIATION</b>		
Reconciliation of net cash provided by agency operating activities to net cost of services		
<b>Net cost of services</b>	<b>(36 363)</b>	<b>(33 865)</b>
Appropriation receipts	33 421	34 186
Appropriation for investing activities	(2 571)	(3 020)
Non-cash items		
Depreciation/amortisation	3 848	2 629
Resources received free of charge from other departments	89	9
Loss on disposal of assets	485	33
Gain on disposal of assets	0	0
Stocktake additions	(21)	(57)
Asset adjustments	(50)	30
Write-down of assets		
Non fixed assets	0	0
Assets write-off	0	0
Obsolete stock write-off	5	0
Change in operating assets and liabilities		
(Increase) in receivables	37	2
Increase/(decrease) in provision for doubtful debts	0	0
(Increase)/decrease in other financial assets	0	0
Increase/(decrease) in inventory	196	0
Increase/(decrease) in work in progress	177	0
(Increase)/decrease in other non-financial assets	1 341	123
Increase/(decrease) in provision and payables for employees	221	229
Increase/(decrease) in provision and payables for suppliers	(9)	160
Increase/(decrease) in other provisions and payables	0	(90)
<b>Net cash provided by operating activities</b>	<b>806</b>	<b>371</b>

NOTE 26. ANNUAL APPROPRIATIONS

	1998-99 Appropriation	1998-99 Expenditure	1997-98 Expenditure
Appropriation Act No. 1			
Running costs	34 960 000	34 526 789	34 901 016
Carried forward from prior years:			
balance as at 1 July	0	(243 000)	0
balance as at 30 June	0	0	(243 000)
	<u>34 960 000</u>	<u>34 769 789</u>	<u>34 658 016</u>
Section 31 of the <i>FMA Act</i>	<u>1 060 000</u>	<u>862 342</u>	<u>714 587</u>
	<u>36 020 000</u>	<u>35 632 131</u>	<u>35 372 602</u>
Appropriation Act No. 2			
Capital works and services	0	0	0
Total appropriations	<u>36 020 000</u>	<u>35 632 131</u>	<u>35 372 602</u>

From 1995-96, expenditure on capital works and services is included in running costs.

NOTE 27. RECEIPTS AND EXPENDITURE OF RESERVED MONEY FUNDS

	1998-99 Cash \$	1998-99 Investments \$	1998-99 Total \$	1997-98 Cash \$	1997-98 Investments \$	1997-98 Total \$
Opening balance	54 488	0	54 488	0	0	0
Plus receipts:						
From appropriations	0	0	0	0	0	0
From operations	294 450	0	294 450	115 036	0	115 036
From realisation of investments	0	0	0	0	0	0
	<u>294 450</u>	<u>0</u>	<u>294 450</u>	<u>115 036</u>	<u>0</u>	<u>115 036</u>
Less expenditure:						
For operations	(171 908)	0	(171 908)	(60 548)	0	(60 548)
For purchase of investments	<u>(171 908)</u>	<u>0</u>	<u>(171 908)</u>	<u>(60 548)</u>	<u>0</u>	<u>(60 548)</u>
Closing balance	<u>177 030</u>	<u>0</u>	<u>177 030</u>	<u>54 488</u>	<u>0</u>	<u>54 488</u>

## NOTE 28. AUDIT

These financial statements and notes have not been subject to audit, however, the information drawn from these accounts has been included in the audit of the Department's financial statements for 1998-99.

## NOTE 29. HERITAGE ITEMS

Records are held by the Archives in a wide variety of media, from files and card records, account books and ledgers through architectural models, photographs, films and video tapes to optical disks and computer tapes. High value records are stored in specially designed, temperature and humidity controlled (where required) environments. The Archives has approximately 446 linear kilometres of records throughout Australia stored generally in their state of origin.

Records are either of temporary value (in which case they will be destroyed at some stage) or of enduring value.

Using a sampling methodology approved by a consultant statistician, the Australian Valuation Office has completed a valuation study, using the Deprival Methodology approach, of the Archives' records at June 1999 and has concluded that most of the records cannot be measured reliably in monetary value. As far as could be measured the monetary value of records held within the Archives represents an inadequate measure of the true value of this material to the people of Australia.

Detailed information on records held by the Archives, including those received in 1998-99, covering their nature, format, quantity and location, is publicly available through the internet, the Archives' automated database and a wide variety of guides and finding aids and other public activities.

## NOTE 30. ADMINISTERED TRANSACTIONS - INFLOWS

Total revenue collected by the Archives, not including deemed appropriation under section 31 of the FMA Act, was gained from charging Commonwealth agencies for storage and related services for records not of enduring value; charging other agencies for discretionary services provided for in Archives regulation 10; charging the public for copies of records under regulation 11; the sale of printed material and the collection of other sundry revenue such as the sale of surplus or under-utilised stores.

## NOTE 31. AVERAGE STAFFING LEVELS

	<b>1998-99</b>	1997-98
	<b>Number</b>	Number
Average staffing levels were	<b>329</b>	<b>325</b>

NOTE 32. FINANCIAL INSTRUMENTS

(a) Terms, conditions and accounting policies

Financial Instrument	Notes	Accounting Policies and Methods (including recognition criteria and measurement basis)	Nature of underlying instrument (including significant terms that may affect the amount, timing and certainty of future cash flows)
<b>Financial Assets</b>			
Cash	9, 27	Cash is recognised at its nominal amount.	All cash is non-interest bearing.
Term deposit	n/a	<i>Financial assets are recognised when control over future economic benefits is established and the amount of the benefit can be reliably measured.</i>	n/a
Receivables for goods and services, and Administered fees receivable	10	These receivables are recognised at the nominal amounts due less any provision for bad and doubtful debts. However, provision for doubtful debts was not considered necessary.	n/a
Receivables - Dividends	n/a		n/a
Accrued revenue	22	Accrued revenue is recognised when an Administered service has been provided but billing has not yet occurred.	As for receivables for goods and services.
<b>Financial Liabilities</b>			
Bank loan	n/a	<i>Financial liabilities are recognised when a present obligation to another party is entered into and the amount of the liability can be reliably measured.</i>	n/a
Finance lease liabilities	20	Liabilities are recognised at the present value of the minimum lease payments at the beginning of the lease. The discount rates used are estimates of the interest rates implicit in the leases.	At the reporting date, the Archives had finance leases with terms of 16 months and 60 months (5 years). The interest rate implicit in the leases averaged 11.25% (1997-98: 9%).

NOTE 32. FINANCIAL INSTRUMENTS (continued)

(a) Terms, conditions and accounting policies			
Financial Instrument	Notes	Accounting Policies and Methods (including recognition criteria and measurement basis)	Nature of underlying instrument (including significant terms that may affect the amount, timing and certainty of future cash flows)
Creditors	19, 21	Creditors and accruals are recognised at their nominal amounts, being the amounts at which the liabilities will be settled. Liabilities are recognised to the extent that the goods and services have been received (and irrespective of having been invoiced).	Settlement is usually made net 30 days.
Grants Liabilities		n/a	n/a
<i>Unrecognised Financial Liabilities</i>			
Guarantees to Public Trading Enterprises		n/a	n/a
Other guarantees		n/a	n/a
Indemnities		n/a	n/a
Loan commitment		n/a	n/a

**NOTE 32. FINANCIAL INSTRUMENTS (continued)**

**(b) Interest Rate Risk: Agency**

Financial Instrument	Notes	Floating Interest Rate		Fixed Interest Rate				Non-Interest Bearing		Total		Weighted Average Effective Interest Rate		
		1998-99 \$'000	1997-98 \$'000	1 year or less 1998-99 \$'000	1997-98 \$'000	1 to 2 years 1998-99 \$'000	1997-98 \$'000	2 to 5 years 1998-99 \$'000	1997-98 \$'000	> 5 years 1998-99 \$'000	1997-98 \$'000	1998-99 \$'000	1997-98 %	1998-99 %
<b>Financial Assets</b>														
Cash	9, 27	0	0	0	0	0	0	0	0	0	185	69	n/a	n/a
Investment - Term deposit		0	0	0	0	0	0	0	0	0	0	0	n/a	n/a
Receivable - Goods and services	10	0	0	0	0	0	0	0	0	0	505	306	n/a	n/a
<b>Total Financial Assets (Recognised)</b>		0	0	0	0	0	0	0	0	0	690	375	n/a	n/a
<b>Total Agency Assets</b>											<u>75 345</u>	<u>17 696</u>		
<b>Financial Liabilities</b>														
Loan payable		0	0	0	0	0	0	0	0	0	0	0	n/a	n/a
Finance lease liability	20	0	0	333	352	338	242	16	231	0	686	825	11.25	9.83
Creditors	19, 21	0	0	0	0	0	0	0	0	0	5 954	5 748	n/a	n/a
<b>Total Financial Liabilities (Recognised)</b>		0	0	333	352	338	242	16	231	0	5 954	5 748	n/a	n/a
<b>Total Agency Liabilities</b>											<u>6 640</u>	<u>6 572</u>		
<b>Financial Liabilities (Unrecognised)</b>														
Loan commitment		n/a	0	0	0	0	0	0	0	0	0	0	n/a	n/a
<b>Total financial liabilities (Unrecognised)</b>		n/a	0	0	0	0	0	0	0	0	0	0	n/a	n/a

**NOTE 32. FINANCIAL INSTRUMENTS (continued)**

<b>(b) Interest Rate Risk: Administered</b>															
Financial Instrument	Notes	Floating Interest Rate		Fixed Interest Rate				Non-Interest Bearing		Total		Weighted Average Effective Interest Rate			
		1998-99 \$'000	1997-98 \$'000	1 year or less 1998-99 \$'000	1997-98 \$'000	1 to 2 years 1998-99 \$'000	1997-98 \$'000	2 to 5 years 1998-99 \$'000	1997-98 \$'000	> 5 years 1998-99 \$'000	1997-98 \$'000	1998-99 \$'000	1997-98 %	1998-99 %	
<b>Financial Assets</b>															
Cash	9, 27	0	0	0	0	0	0	0	0	18	50	18	50	n/a	n/a
Receivables - Fees	10	0	0	0	0	0	0	0	0	63	172	63	172	n/a	n/a
Receivables - Dividends		0	0	0	0	0	0	0	0	0	0	0	0	n/a	n/a
Accrued Revenue	22	0	0	0	0	0	0	0	0	168	212	168	212	n/a	n/a
<b>Total Financial Assets (Recognised)</b>		0	0	0	0	0	0	0	0	249	434	249	434	n/a	n/a
<b>Total Administered Assets</b>										<b>249</b>	<b>434</b>				
<b>Financial Liabilities</b>															
Grants Payable		n/a	0	0	0	0	0	0	0	0	0	0	0	n/a	n/a
<b>Total Financial Liabilities (Recognised)</b>		n/a	0	0	0	0	0	0	0	0	0	0	0	n/a	n/a
<b>Total Administered Liabilities</b>										<b>0</b>	<b>0</b>				
<b>Financial Liabilities (Unrecognised)</b>															
Guarantees to Public	Sch of Contin gency	n/a	0	0	0	0	0	0	0	0	0	0	0	n/a	n/a
Trading Enterprise		0	0	0	0	0	0	0	0	0	0	0	0	n/a	n/a
Other Guarantees		0	0	0	0	0	0	0	0	0	0	0	0	n/a	n/a
Indemnities		0	0	0	0	0	0	0	0	0	0	0	0	n/a	n/a
<b>Total Financial Liabilities (Unrecognised)</b>		0	0	0	0	0	0	0	0	0	0	0	0	n/a	n/a

NOTE 32. FINANCIAL INSTRUMENTS (continued)

(c) Net Fair Values of Agency Financial Assets and liabilities

	Note	1998-99		1997-98	
		Total carrying amount \$'000	Aggregate net fair value \$'000	Total carrying amount \$'000	Aggregate net fair value \$'000
<b>Agency:</b>					
<b>Financial Assets</b>					
Cash at Bank	9, 27	185	0	69	69
Term Deposit					
Receivables - Goods and Services	10	505	505	306	306
<b>Total Financial Assets</b>		<b>690</b>	<b>505</b>	<b>375</b>	<b>375</b>
<b>Financial Liabilities (Recognised)</b>					
Loan Payable					
Finance Lease Liabilities	20	686	686	825	825
Creditors	19, 21	5 954	5 954	5 748	5 748
<b>Total Financial Liabilities (Recognised)</b>		<b>6 640</b>	<b>6 640</b>	<b>6 572</b>	<b>6 572</b>
<b>Financial Liabilities (Unrecognised)</b>					
Loan Commitment	Sch. of Comitmt	n/a	n/a	n/a	n/a
<b>Total Financial Liabilities (Unrecognised)</b>		<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>

<b>Administered:</b>					
<b>Financial Assets</b>					
Cash	9, 27	18	18	50	50
Receivables - Fees	10	63	63	172	172
Receivables - Dividends		0	0	0	0
Accrued Revenue	22	168	168	212	212
		<b>249</b>	<b>249</b>	<b>434</b>	<b>434</b>
<b>Financial Liabilities (Recognised)</b>					
Grants Payable		0	0	0	0
<b>Total Financial Liabilities (Recognised)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Financial Liabilities (Unrecognised)</b>					
Guarantees to Public Trading Enterprises	Sch of Contin gency	0	0	0	0
Other Guarantees		0	0	0	0
Indemnities		0	0	0	0
<b>Total Financial Liabilities (Unrecognised)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## NOTE 32 - FINANCIAL INSTRUMENTS (continued)

### (c) Net Fair Values of Financial Assets and Liabilities

#### *Financial Assets*

The net fair values of cash and non-interest-bearing monetary financial assets approximate their carrying amounts.

#### *Financial Liabilities*

The net fair value of finance lease liabilities is based on discounted cash flows using current interest rates for liabilities with similar risk profiles.

The net fair value for trade creditors is short term in nature and approximated by their carrying amounts.

### (d) Credit Risk Exposures

The Archives' maximum exposures to credit risk at the reporting date in relation to each class of recognised financial assets are the carrying amount of those assets as indicated in the Statement of Assets and Liabilities.

There are no significant exposures to any concentrations of credit risk in relation to the Archives' agency receivables.

All figures for credit risk referred to do not take into account the value of any collateral or other security.

## NOTE 33. COMMONWEALTH-OWNED REPOSITORIES UNDER THE CONTROL OF THE ARCHIVES

The Archives operated 9 Commonwealth-owned repositories in all States and Territories. Rent is paid by the Archives for the use of these properties. The valuations of the Commonwealth-owned repositories are periodically assessed by the Australian Valuation Office. The following information is based on valuations which were completed in June 1998.

		<b>\$ (million)</b>
ACT	Greenway	3
	Mitchell	5
NSW	Chester Hill	11
Vic	East Burwood	7
Qld	Cannon Hill	4
WA	East Victoria Park	3
SA	Collinswood	2
Tas	Rosny Park	2
NT	Millner	4
		<u>40</u>

