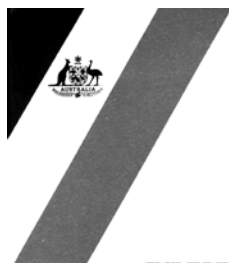


APPENDIX 1 – Financial Statements



INDEPENDENT AUDITOR'S REPORT

To the Attorney-General

Scope

I have audited the accompanying financial statements of the Federal Court of Australia (the Court) for the year ended 30 June 2009. The financial statements comprise: a Statement by the Registrar and Chief Finance Officer; Income Statement; Balance Sheet; Statement of Changes in Equity; Cash Flow Statement; Schedule of Commitments; Schedule of Contingencies; Schedule of Administered Items and Notes to and forming part of the Financial Statements, including a Summary of Significant Accounting Policies.

The Responsibility of the Registrar for the Financial Statements

The Court's Registrar is responsible for the preparation and fair presentation of the financial statements in accordance with Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, including Australian Accounting Standards, which include Australian Accounting Interpretations. This includes establishing and maintaining internal controls relevant to the preparation and fair presentation of 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. I have conducted my audit in accordance with Australian National Audit Office Auditing Standards, which incorporate 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 obtaining audit evidence about the amounts and disclosures in the financial statements. The audit 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 these risk assessments, the auditor considers internal controls relevant to the Court's preparation and fair presentation of the financial statements to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Court's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Court's Registrar, as well as evaluating the overall presentation of the financial statements.

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



PO Box A456 Sydney South NSW 1235
130 Elizabeth Street
SYDNEY NSW
Phone (02) 9367 7100 Fax (02) 9367 7102

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 Federal Court of Australia:

- (a) have been prepared in accordance with Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, including Australian Accounting Standards; and
- (b) give a true and fair view of the matters required by the Finance Minister's Orders including the Court's financial position as at 30 June 2009 and its financial performance and cash flows for the year then ended.

Australian National Audit Office



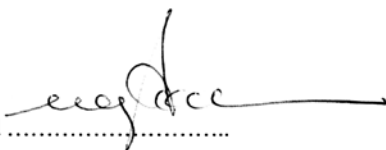
P Hinchey
Senior Director
Delegate of the Auditor-General

Sydney
27 August 2009

FEDERAL COURT OF AUSTRALIA

STATEMENT BY THE REGISTRAR AND CHIEF FINANCE OFFICER

In our opinion, the attached financial statements for the year ended 30 June 2009 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 *Financial Management and Accountability Act 1997*, as amended.

Signed 

Warwick Soden
Registrar and Chief Executive Officer

26 August 2009

Signed 

Peter Bowen
Chief Finance Officer

26 August 2009

FEDERAL COURT OF AUSTRALIA

INCOME STATEMENT

for the year ended 30 June 2009

	Notes	2009 \$'000	2008 \$'000
INCOME			
Revenue			
Revenue from government	2A	78,206	78,462
Sale of goods and rendering of services	2B	<u>10,251</u>	<u>10,902</u>
Total revenue		<u>88,457</u>	<u>89,364</u>
Gains			
Sale of assets	2C	1	-
Other gains	2D	<u>15,258</u>	<u>15,084</u>
Total gains		<u>15,259</u>	<u>15,084</u>
Total Income		<u>103,716</u>	<u>104,448</u>
EXPENSES			
Judge benefits	3A	26,217	26,196
Employee benefits	3A	32,074	30,267
Suppliers	3B	44,154	47,250
Depreciation and amortisation	3C	2,799	3,182
Finance costs	3D	31	52
Loss on sale of assets	2C	-	14
Write-down and impairment of assets	3E	<u>279</u>	<u>838</u>
Total Expenses		<u>105,554</u>	<u>107,799</u>
(Deficit)		<u>(1,838)</u>	<u>(3,351)</u>

FEDERAL COURT OF AUSTRALIA

BALANCE SHEET*as at 30 June 2009*

	Notes	2009 \$'000	2008 \$'000
ASSETS			
Financial Assets			
Cash	4A	1,435	3,330
Trade and other receivables	4B	<u>32,308</u>	<u>31,975</u>
Total financial assets		<u>33,743</u>	<u>35,305</u>
Non-Financial Assets			
Land and buildings	5A	7,948	8,208
Infrastructure, plant and equipment	5B	9,269	9,432
Intangibles	5C	1,534	842
Other non-financial assets	5E	<u>1,406</u>	<u>1,763</u>
Total non-financial assets		<u>20,157</u>	<u>20,245</u>
Total Assets		<u>53,900</u>	<u>55,550</u>
LIABILITIES			
Payables			
Suppliers	6A	1,185	1,122
Other Payables	6B	<u>810</u>	<u>623</u>
Total payables		<u>2,795</u>	<u>1,745</u>
Interest Bearing Liabilities			
Leases	7	<u>243</u>	<u>633</u>
Total interest bearing liabilities		<u>243</u>	<u>633</u>
Provisions			
Judges and employee provisions	8	<u>16,046</u>	<u>16,518</u>
Total provisions		<u>16,046</u>	<u>16,518</u>
Total Liabilities		<u>19,084</u>	<u>18,896</u>
Net Assets		<u>34,816</u>	<u>36,654</u>
EQUITY			
Contributed equity		9,719	9,719
Reserves		1,289	1,289
Retained surplus		<u>23,808</u>	<u>25,646</u>
Total Equity		<u>34,816</u>	<u>36,654</u>
Current Assets		35,149	37,068
Non-Current Assets		18,751	18,482
Current Liabilities		17,029	17,125
Non-Current Liabilities		2,055	1,771

FEDERAL COURT OF AUSTRALIA

STATEMENT of CHANGES in EQUITY

for the year ended 30 June 2009

	Retained Earnings		Asset Revaluation Reserves		Contributed Equity/Capital		Total Equity	
	2009	2008	2009	2008	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	25,646	28,997	1,289	1,614	9,719	9,617	36,654	40,228
Income and expense								
Revaluation adjustment	-	-		(325)	-	-	-	(325)
Sub-total income and expenses recognised Directly in Equity	-	-	-	(325)	-	-	-	(325)
Surplus (Deficit) for period	(1,838)	(3,351)	-	-	-	-	(1,838)	(3,351)
Total income and expenses	(1,838)	(3,351)	-	-	-	-	(1,838)	(3,676)
Transactions with owners								
Appropriation (equity injection)	-	-	-	-	-	102	-	102
Closing balance at 30 June	23,808	25,646	1,289	1,289	9,719	9,719	34,816	36,654

FEDERAL COURT OF AUSTRALIA

CASH FLOW STATEMENT

for the year ended 30 June 2009

	Notes	2009 \$'000	2008 \$'000
OPERATING ACTIVITIES			
Cash received			
Goods and services		10,753	10,501
Appropriations		77,762	83,733
Refunds credited		31	131
Net GST received		-	212
Total cash received		<u>88,546</u>	<u>94,577</u>
Cash used			
Judges and employees		49,598	47,371
Suppliers		37,543	40,274
Net GST paid		15	-
Borrowing costs		31	52
Total cash used		<u>87,187</u>	<u>87,697</u>
Net cash from operating activities	9	<u>1,359</u>	<u>6,880</u>
INVESTING ACTIVITIES			
Cash received			
Proceeds from sales of property, plant and equipment		22	19
Total cash received		<u>22</u>	<u>19</u>
Cash used			
Purchase of property, plant and equipment		2,373	3,708
Purchase of intangibles		701	367
Total cash used		<u>3,074</u>	<u>4,075</u>
Net cash (used by) investing activities		<u>(3,052)</u>	<u>(4,056)</u>
FINANCING ACTIVITIES			
Cash received			
Appropriations – contributed equity		187	601
Total cash received		<u>187</u>	<u>601</u>
Cash used			
Payment of finance lease liabilities		389	611
		<u>389</u>	<u>611</u>
Net cash (used by) financing activities		<u>(202)</u>	<u>(10)</u>
Net increase (decrease) in cash held		<u>(1,895)</u>	<u>2,814</u>
Cash at the beginning of the reporting period		<u>3,330</u>	<u>516</u>
Cash at the end of the reporting period	4A	<u>1,435</u>	<u>3,330</u>

FEDERAL COURT OF AUSTRALIA

SCHEDULE OF COMMITMENTS

as at 30 June 2009

	2009 \$'000	2008 \$'000
BY TYPE		
Capital commitments		
Infrastructure, plant and equipment ¹	209	608
Total capital commitments	209	608
Other commitments		
Operating leases ²	162,510	176,397
Other ³	450	887
Total other commitments	162,960	177,284
Commitments receivable	(14,833)	(16,875)
Net commitments by type	148,336	161,017
BY MATURITY		
Capital commitments		
One year or less	209	608
Total capital commitments	209	608
Operating lease commitments		
One year or less	15,784	17,495
From one to five years	62,285	67,605
Over five years	84,891	92,184
Total operating lease commitments	162,960	177,284
Commitments receivable	(14,833)	(16,875)
Net Commitments by Maturity	148,336	161,017

NB: Commitments are GST inclusive where relevant.

1. Plant and equipment commitments are primarily contracts for the purchase of furniture and fittings.

Nature of leases/General description

2. Operating leases included are effectively non-cancellable and comprise:

Leases for judicial and other accommodation.

These commitments are mainly for rental of special purpose court buildings which are occupied by the Court's registries. The court buildings are owned by the Commonwealth of Australia, except for the New South Wales court building, which is owned by Law Courts Limited, a joint venture between the NSW State and Commonwealth Governments.

Agreements for the provision of motor vehicles to judges and senior officers.

The Court leases motor vehicles from Lease Plan under the terms of a contract that is operative until January 2010. These vehicles are leased under individual operating leases.

3. Other commitments - The Court has entered into commitments for the provision of information technology and library goods and services.

FEDERAL COURT OF AUSTRALIA

SCHEDULE OF CONTINGENCIES

as at 30 June 2009

There were no contingent losses or gains as at 30 June 2009 (2008: nil).

FEDERAL COURT OF AUSTRALIA

SCHEDULE OF ADMINISTERED ITEMS

	Notes	2009 \$'000	2008 \$'000
Income administered on behalf of Government			
<i>for the year ended 30 June 2009</i>			
Revenue			
Non Taxation Revenue			
Fees (filing and hearing fees)	13	6,712	6,447
Fines	13	142	568
Other revenue	13	135	113
Total revenue administered on behalf of Government		6,989	7,128
Total income administered on behalf of Government		6,989	7,128
Expenses administered on behalf of Government			
<i>for the year ended 30 June 2009</i>			
Fees and fines – provision for doubtful debts	14	14	-
Total expenses administered on behalf of Government		14	-
Assets administered on behalf of Government			
<i>as at 30 June 2009</i>			
Financial assets			
Cash and cash equivalents	15A	55	45
Receivables	15B	248	297
Total assets administered on behalf of Government		303	342

FEDERAL COURT OF AUSTRALIA

SCHEDULE OF ADMINISTERED ITEMS (Continued)

	Notes	2009 \$'000	2008 \$'000
Administered cash flows			
<i>for the year ended 30 June 2009</i>			
OPERATING ACTIVITIES			
Cash received			
Fees		6,856	6,620
Fines		142	568
Other		135	113
Total cash received		7,133	7,301
Cash used			
Refund of court fees and fines		(109)	(144)
Total cash used		(109)	(144)
Net cash flows from operating activities		7,024	7,157
Net Increase in cash held		7,024	7,157
Cash at the beginning of the reporting period		44	38
Cash from Official Public Account for:			
- Appropriations		115	145
		115	145
Cash to Official Public Account		(7,128)	(7,296)
		(7,128)	(7,296)
Cash at the end of the reporting period	17A	55	44

Administered commitments*as at 30 June 2009*

There were no Administered commitments as at 30 June 2009. (2008: nil)

Administered Contingencies*as at 30 June 2009*

There were no Administered contingent losses or gains as at 30 June 2009. (2008: nil)

FEDERAL COURT OF AUSTRALIA**Notes to and forming part of the Financial Statements**

- Note 1: Summary of Significant Accounting Policies
- Note 2: Income
- Note 3: Operating Expenses
- Note 4: Financial Assets
- Note 5: Non-Financial Assets
- Note 6: Payables
- Note 7: Interest Bearing Liabilities
- Note 8: Provisions
- Note 9: Cash Flow Reconciliation
- Note 10: Executive Remuneration
- Note 11: Remuneration of Auditors
- Note 12: Financial Instruments
- Note 13: Income Administered on Behalf of Government
- Note 14: Expenses Administered on Behalf of Government
- Note 15: Assets Administered on Behalf of Government
- Note 16: Administered Reconciliation Table
- Note 17: Administered Financial Instruments
- Note 18: Appropriations
- Note 19: Special Accounts
- Note 20: Compensation and Debt Relief
- Note 21: Reporting of Outcomes

FEDERAL COURT OF AUSTRALIA

Notes to and forming part of the Financial Statements

Note 1: Summary of Significant Accounting Policies

1.1 Objectives of the Court

The Federal Court of Australia is an Australian Government controlled entity. The objectives of the Court are to:

- decide disputes according to law promptly, courteously and effectively; and in so doing to interpret the statutory law and develop the general law of the Commonwealth, so as to fulfil the role of a court exercising the judicial power of the Commonwealth under the Constitution;
- provide an effective registry service to the community; and
- manage the resources allotted by Parliament efficiently.

The Court is structured to meet one Outcome:

Outcome: To apply and uphold the rule of law to deliver remedies and enforce rights and in so doing, contribute to the social and economic development and well-being of all Australians.

The Court's activities contributing toward this outcome are classified as either departmental or administered. Departmental activities involve the use of assets, liabilities, revenue and expenses controlled or incurred by the Court in its own right. Administered activities involve the management or oversight by the Court, on behalf of the Government, of items controlled or incurred by the Government.

Departmental activities are identified under one Output. This output is identified for the Court's outcome.

The Court conducts the following administered activity: The collection of fees and fines on behalf of the Government.

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

1.2 Basis of Preparation of the Financial Statements

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

The financial statements and notes have been prepared in accordance with:

- Finance Minister's Orders (or FMOs), for reporting periods ending on or after 1 July 2008; and
- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial report has been prepared on an accrual basis and is in accordance with the historical cost convention, except for certain assets at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

The financial statements are presented in Australian dollars and values are rounded to the nearest thousand dollars unless otherwise specified.

Unless alternative treatment is specifically required by an Accounting Standard or the FMOs, assets and liabilities are recognised in the balance sheet when and only when it is probable that future economic benefits will flow to the Court and the amounts of assets or liabilities can be reliably measured. However, assets and liabilities arising under agreements equally proportionately unperformed are not recognised unless required by an Accounting Standard. Liabilities and assets that are unrecognised are reported in the Schedule of Commitments and the Schedule of Contingencies.

Unless alternative treatment is specifically required by an accounting standard, revenues and expenses are recognised in the Income Statement only when the flow or consumption or loss of economic benefits has occurred and can be reliably measured.

FEDERAL COURT OF AUSTRALIA

Notes to and forming part of the Financial Statements

Administered revenues, expenses, assets and liabilities and cash flows reported in the Schedule of Administered Items and related notes are accounted for on the same basis and using the same policies as for departmental items.

1.3 Significant Accounting Judgements and Estimates

No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next accounting period.

1.4 Changes in Australian Accounting Standards

Adoption of new Australian Accounting Standard requirements

No accounting standard has been adopted earlier than the application date as stated in the standard. No new accounting standards, amendments to standards and interpretations issued by the Australian accounting standards Board that are applicable in the current period have had a material financial effect on the Court.

Future Australian Accounting Standard requirements

New standards, amendments to standards, and interpretations that are applicable to future periods have been issued by the Australian Accounting Standards Board. It is estimated that adopting these pronouncements, when effective, will have no material impact on future reporting periods.

1.5 Revenue

Revenue from Government

Amounts appropriated for departmental outputs appropriations for the year (adjusted for any formal additions and reductions) are recognised as revenue when the Court gains control of the appropriation, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned.

Appropriations receivable are recognised at their nominal amounts.

Other Types of Revenue

Revenue from rendering of services is recognised by reference to the stage of completion of contracts at the reporting date. The revenue is recognised when:

- The amount of revenue, stage of completion and transaction costs incurred can be reliably measured; and
- The probable economic benefits with the transaction have flowed to the Court.

Receivables for services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collection of debts is reviewed at balance date. Allowances are made when collection of the debt is no longer probable.

1.6 Gains

Resources Received Free of Charge

Resources received free of charge are recognised as gains 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 these resources is recognised as an expense.

Contributions of assets at no cost of acquisition or for nominal consideration are recognised as gains at their fair value when the asset qualifies for recognition, unless received from another Government Agency or Authority as a consequence of a restructure of administrative arrangements.

FEDERAL COURT OF AUSTRALIA

Notes to and forming part of the Financial Statements

Resources received free of charge are recognised as either revenue or gains depending on their nature.

Sale of Assets

Gains from disposal of non-current assets are recognised when control of the asset has passed to the buyer.

1.7 Transactions with the Government as Owner

Equity Injections

Amounts appropriated which are designated as 'equity injections' for a year (less any formal reductions) are recognised directly in Contributed Equity in that year.

1.8 Judge and Employee Benefits

Liabilities for services rendered by Judges and employees are recognised at the reporting date to the extent that they have not been settled.

Liabilities for 'short-term employee benefits' (as defined in AASB 119 *Employee Benefits*) and termination benefits due within twelve months of balance date are measured at their nominal amounts.

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

All other judge and employee benefit liabilities are measured as the present value of the estimated future cash outflows to be made in respect of services provided by judges and employees up to the reporting date.

Leave

The liability for employee benefits includes provision for annual leave and long service leave. 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 Court is estimated to be less than the annual entitlement for sick leave.

The long service leave provision is based on the Court's estimated liability at balance date. Court staff employed under the *Public Service Act* accrue 3 months long service leave after 10 years service, and proportionally thereafter. The estimate of the present liability takes into account attrition rates and pay increases through promotion and inflation. Judges accrue 6 months long leave after 5 years of service. In recognition of the nature of Judges' tenure, a provision is accrued from the first year of service.

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that applied at the time the leave is taken. This includes the Court's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

Superannuation

Staff of the Court are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS) or the PSS accumulation plan (PSSap).

The CSS and PSS are defined benefit schemes for the Commonwealth. The PSSap is a defined contribution scheme.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported by the Department of Finance and Deregulation as an administered item.

The Court makes employer contributions to the employee superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the Government of the superannuation entitlements of the Court's employees. The Court accounts for the contributions as if they were contributions to defined contribution plans.

The liability for superannuation recognised as at 30 June represents outstanding contributions for the final fortnight of the year.

FEDERAL COURT OF AUSTRALIA

Notes to and forming part of the Financial Statements

Judges' Pension

Under the *Judges' Pension Act 1968*, Federal Court Judges are entitled to a non-contributory pension upon retirement after 6 years service. Where entitlements are not available under the *Judges Pension Act 1968*, entitlements are available under the *Superannuation (Productivity Benefit) Act 1988*. As the liability for these pension payments is assumed by the Australian Government, the Court has not recognised a liability for unfunded superannuation liability. The Court does, however, recognise an expense and a corresponding revenue item, "Liabilities assumed by other agencies", in respect of the notional amount of the employer contributions to Judges' pensions for the reporting period amounting to \$9,069,070 (2007-08: \$8,903,109). The contribution rate has been provided by the Australian Government Actuary.

1.9 Leases

A distinction is made between finance leases and operating leases. Finance leases effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of leased non-current assets. An operating lease is a lease that is not a finance lease. In operating leases, the lessor effectively retains substantially all such risks and benefits.

Where a non-current asset is acquired by means of a finance lease, the asset is capitalised at either the fair value of the lease property or, if lower, the present value of minimum lease payments at the inception of the contract and a liability recognised at the same time and for the same amount.

The discount rate used is the interest rate implicit in the lease. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are expensed on a straight line basis which is representative of the pattern of benefits derived from the leased assets.

1.10 Cash

Cash means notes and coins held and any deposits in bank accounts with an original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value. Cash is recognised at its nominal amount.

1.11 Financial Assets

Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. The Court does not have any loans at the balance sheet date.

Impairment of financial assets

Financial assets are assessed for impairment at each balance date.

- *Financial assets held at nominal cost* – If there is objective evidence that an impairment loss has been incurred for receivables, the carrying amount is reduced by way of an allowance account. The loss is recognised in the income statement.

1.12 Financial Liabilities

Supplier and other payables

Supplier and other payables are recognised at nominal cost. Liabilities are recognised to the extent that the goods or services have been received, irrespective of having been invoiced.

FEDERAL COURT OF AUSTRALIA

Notes to and forming part of the Financial Statements

1.13 Acquisition of assets

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and revenues at their fair value at the date of acquisition.

1.14 Property, Plant and Equipment

Asset Recognition Threshold

Purchases of property, plant and equipment are recognised initially at cost in the Balance Sheet, except for purchases of:

- assets other than information technology equipment costing less than \$2,000; and
- information technology equipment costing less than \$1,500;

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.

Revaluations

Fair values for each class of asset are determined as shown below:

<i>Asset Class</i>	<i>Fair value measured at:</i>
Buildings	Market appraisal
Leasehold improvements	Depreciated replacement cost
Plant & Equipment	Market appraisal

Following initial recognition at cost, buildings, infrastructure, plant and equipment are carried at fair value less accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially from the assets' fair values as at the reporting date. The regularity of independent valuations depends upon the volatility of movements in market values for the relevant assets.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the asset revaluation reserve except to the extent that it reverses a previous revaluation decrement of the same asset class previously recognised through the Income Statement. Revaluation decrements for a class of assets are recognised directly through the Income Statement except to the extent that they reverse a previous revaluation increment for that class.

Any accumulated depreciation as at the valuation date is eliminated against the gross carrying amount of the asset and the asset restated to the revalued amount.

Depreciation

Depreciable property plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the Court using, in all cases, the straight-line method of depreciation. Leasehold improvements are depreciated over the lesser of the estimated useful life of the improvements or the unexpired period of the lease.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

FEDERAL COURT OF AUSTRALIA

Notes to and forming part of the Financial Statements

Depreciation and amortisation rates for each class of depreciable asset are based on the following useful lives:

	2009	2008
Leasehold improvements	10 years or Lease term	10 years or Lease term
Plant and equipment – excluding library materials	3 to 10 years	3 to 10 years
Plant and equipment – library materials	5 to 40 years	5 to 40 years

Impairment

All assets are assessed for impairment at 30 June. Where indications of impairment exist, the asset's recoverable amount is estimated and an adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Court were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

1.15 Intangibles

The Court's intangibles comprise externally and internally developed software for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment loss.

Software is amortised on a straight line basis over its anticipated useful life of 5 years (2007-08: 5 years).

All software assets were assessed for indications of impairment at 30 June 2009.

1.16 Taxation

The Court is exempt from all forms of taxation except fringe benefits tax (FBT) and goods and services tax (GST).

Revenues, expenses and assets are recognised net of GST:

- except where the amount of GST incurred is not recoverable; and
- except for receivables and payables.

FEDERAL COURT OF AUSTRALIA

Notes to and forming part of the Financial Statements

1.17 Reporting of Administered Activities

Administered revenues, expenses, assets, liabilities and cash flows are disclosed in the Schedule of Administered Items and related Notes.

Except where stated below, administered items are accounted for on the same basis and using the same policies as the Court, including the application of Australian Accounting Standards.

Administered Cash Transfers to and from Official Public Account

Revenue collected by the Court for use by the Government rather than the Court is administered revenue. Collections are transferred to the Official Public Account maintained by the Department of Finance and Deregulation. Conversely, cash is drawn from the OPA to make payments under Parliamentary appropriation on behalf of Government. These transfers to and from the OPA are adjustments to the administered cash held by the Court on behalf of the Government and reported as Administered Cash Flows in the Schedule of Administered Items and in the Administered Reconciliation Table in Note 16: Administered Reconciliation Table. Thus, the Schedule of Administered Items reflects the Government's transactions, through the Court, with parties outside the Government.

Revenue

All administered revenues are revenues relating to the course of ordinary activities performed by the Court on behalf of the Australian Government.

Fees are charged for services provided by the Court to litigants under the Federal Court Regulations.

Revenue from fees is recognised at the time the services are performed. The services are performed at the same time as, or within two days of, the fees becoming due and payable. It is recognised at its nominal amount due less any provision for bad or doubtful debts. Debts are reviewed at balance date. Provisions are made when collection of the debt is judged to be less rather than more likely. Revenue from fines is recognised in the period in which the invoice for the fine is raised.

FEDERAL COURT OF AUSTRALIA

Notes to and forming part of the Financial Statements

	2009 \$'000	2008 \$'000
Note 2: Income		
Revenue		
Note 2A: Revenue from Government		
Appropriation:		
Departmental outputs	78,206	78,462
Total revenue from Government	78,206	78,462
Note 2B: Sale of goods and rendering of services		
Rendering of services – related entities	9,681	10,419
Rendering of services – external entities	570	483
Total sale of goods and rendering of services	10,251	10,902
Gains		
Note 2C: Sale of Assets		
Infrastructure, plant and equipment:		
Proceeds from sale	2	3
Carrying value of assets sold	(1)	(17)
Net gain (loss) from sale of assets	1	(14)
Note 2D: Other gains		
Liabilities assumed by other agencies	9,069	8,903
Resources received free of charge	6,189	6,181
	15,258	15,084

Resources received free of charge includes an amount of \$5,547,582 (2007-08: \$5,547,582) in respect of rent and outgoings associated with the accommodation occupied by the Court in the Law Courts Building located in Sydney, New South Wales. This building is owned by Law Courts Limited, a joint venture between the NSW State and Commonwealth Governments.

FEDERAL COURT OF AUSTRALIA

Notes to and forming part of the Financial Statements

	2009 \$'000	2008 \$'000
Note 3: Expenses		
Note 3A: Judge and Employee benefits		
Judge remuneration	17,148	17,293
Judge notional superannuation	9,069	8,903
	<u>26,217</u>	<u>26,196</u>
Employee wage & salaries	27,494	26,965
Employee superannuation	3,986	3,218
Employee separation and redundancies	594	84
	<u>32,074</u>	<u>30,267</u>
Total judge and employee benefits	<u>58,291</u>	<u>56,463</u>
Note 3B: Suppliers		
Provision of goods - external parties	2,602	3,053
Rendering of services - related entities	1,874	1,721
Rendering of services - external parties	17,253	20,354
Operating lease rentals:		
Minimum Lease Payments	22,235	21,908
Workers compensation premiums	190	214
Total supplier expenses	<u>44,154</u>	<u>47,250</u>
Note 3C: Depreciation and Amortisation		
Depreciation:		
Buildings	1,384	1,594
Infrastructure, plant and equipment	913	853
Total depreciation	<u>2,297</u>	<u>2,447</u>
Assets held under finance leases		
Amortisation:		
Intangibles:		
Computer Software	130	134
Leased plant and equipment	372	601
Total amortisation	<u>502</u>	<u>735</u>
Total depreciation and amortisation	<u>2,799</u>	<u>3,182</u>
Note 3D: Finance costs		
Finance leases	31	52
Total finance costs	<u>31</u>	<u>52</u>
Note 3E Write-down and impairment of assets		
Financial assets		
Bad & doubtful debt	-	31
Non-financial assets		
Impairment of plant & equipment	279	807
Total write-down and impairment of assets	<u>279</u>	<u>838</u>

FEDERAL COURT OF AUSTRALIA

Notes to and forming part of the Financial Statements

	2009 \$'000	2008 \$'000
Note 4: Financial Assets		
Note 4A: Cash and cash equivalents		
Cash on hand or on deposit	1,435	3,330
Total cash and cash equivalents	1,435	3,330
Note 4B: Trade and other receivables		
Goods and services	600	556
Appropriations receivable:		
for existing outputs	31,361	31,104
GST receivable from the Australian Taxation Office	347	366
Total trade and other receivables (gross)	32,308	32,026
Less impairment allowance account		
Goods and Services	-	(51)
Total trade and other receivables (net)	32,308	31,975
Receivables are aged as follows:		
Not overdue	32,290	31,919
Overdue by:		
Less than 30 days	1	6
30 to 60 days	3	33
61 to 90 days	5	-
More than 90 days	9	68
	18	107
Total receivables (gross)	32,308	32,026
The allowance for doubtful debts is aged as follows:		
Overdue by:		
More than 90 days	-	(51)
Total allowance for doubtful debts	-	(51)
All receivables are current. Credit terms are net 30 days (2008: 30 days).		
Reconciliation of the impairment allowance account:		
Opening balance	(51)	(21)
Amounts written off	51	-
Increase/decrease recognised in net surplus	-	(30)
Closing balance	-	(51)

Note 5: Non-Financial Assets**Note 5A: Land and buildings**

Leasehold improvements		
fair value	10,449	9,783
accumulated depreciation	(2,501)	(1,575)
Total leasehold improvements	7,948	8,208
Total land and buildings (non-current)	7,948	8,208

No indications of impairment were found for land and buildings

FEDERAL COURT OF AUSTRALIA

Notes to and forming part of the Financial Statements

	2009 \$'000	2008 \$'000
Note 5B: Infrastructure, plant and equipment		
Infrastructure, plant and equipment		
gross carrying value (at fair value)	12,837	12,204
accumulated depreciation	<u>(3,568)</u>	<u>(2,772)</u>
	<u>9,269</u>	<u>9,432</u>
Total infrastructure, plant and equipment (non-current)	<u><u>9,269</u></u>	<u><u>9,432</u></u>

All revaluations are conducted in accordance with the valuation policy stated in Note 1. In 2007-08, formal valuations were conducted by an independent valuer, the Australian Valuation Office.

As a result of this valuation process, revaluation decrements of \$56,938.37 for buildings and \$295,711.55 for infrastructure, plant and equipment were debited to the asset revaluation reserve by class and included in the equity section of the balance sheet. Decrements of \$748,312.69 for classes of infrastructure plant and equipment that had no revaluation reserve are shown as an expense in the operating statement. Of this, \$654,853.48 related to the Court's library collection.

No indications of impairment were found for infrastructure, plant and equipment.

Note 5C: Intangible Assets

Computer software at cost		
Internally developed – in progress	1,285	620
Purchased – in use	<u>2,073</u>	<u>1,917</u>
Total Computer Software	<u>3,358</u>	<u>2,537</u>
Accumulated amortisation	<u>(1,824)</u>	<u>(1,695)</u>
Total intangibles (non-current)	<u><u>1,534</u></u>	<u><u>842</u></u>

No indication of impairment was found for intangibles.

Note 5D: Analysis of infrastructure, property, plant, and equipment**TABLE A - Reconciliation of the opening and closing balances of property, plant, and equipment (2008-09)**

Item	Leasehold improvement – Total land and buildings \$'000	Infrastructure, plant and equipment \$'000	Computer Software – Intangibles \$'000	Total \$'000
As at 1 July 2008				
Gross book value	9,783	12,204	2,537	24,524
Accumulated depreciation/amortisation	(1,575)	(2,772)	(1,695)	(6,042)
Net book value 1 July 2008	8,208	9,432	842	18,482
Additions:				
by purchase	1,384	1,049	822	3,255
Reclassification	-	92	-	92
Depreciation/amortisation expense	(1,384)	(1,285)	(130)	(2,799)
Disposals:				
Other disposals	(260)	(19)	-	(279)
Net book value 30 June 2009	7,948	9,269	1,534	18,751
Net book value as of 30 June 2009 represented by:				
Gross book value	10,449	12,837	3,358	26,644
Accumulated depreciation/amortisation	(2,501)	(3,568)	(1,824)	(7,893)
	<u>7,948</u>	<u>9,269</u>	<u>1,534</u>	<u>18,751</u>

FEDERAL COURT OF AUSTRALIA

Notes to and forming part of the Financial Statements

TABLE A - Reconciliation of the opening and closing balances of property, plant, and equipment (2007-08)

Item	Leasehold improvement – Total land and buildings \$'000	Infrastructure, plant and equipment \$'000	Computer Software – Intangibles \$'000	Total \$'000
As at 1 July 2007				
Gross book value	10,179	14,280	2,304	26,763
Accumulated depreciation/amortisation	(2,759)	(3,785)	(1,872)	(8,416)
Net book value 1 July 2007	7,420	10,495	432	18,347
Additions:				
by purchase	2,497	1,165	544	4,206
by finance lease		259		259
Revaluations and impairments through equity	(57)	(1,015)	-	(1,072)
Depreciation/amortisation expense	(1,594)	(1,454)	(134)	(3,182)
Disposals:				
Other disposals	(58)	(18)	-	(76)
Net book value 30 June 2008	8,208	9,432	842	18,482
Net book value as of 30 June 2008 represented by:				
Gross book value	9,783	12,204	2,537	24,524
Accumulated depreciation/amortisation	(1,575)	(2,772)	(1,695)	(6,042)
	8,208	9,432	842	18,482

Note 5E: Other Non-financial assets

Prepayments	<u>1,406</u>	<u>1,763</u>
Total other non-financial assets	<u>1,406</u>	<u>1,763</u>

All other non-financial assets are current assets.

Note 6: Payables**Note 6A: Suppliers**

Trade creditors	1,028	1,122
Deferred Revenue	957	-
Total supplier payables	<u>1,985</u>	<u>1,122</u>

Supplier payables are all current.
Settlement is usually made net 30 days.

Note 6B: Other Payables

Salaries and wages	418	326
Superannuation	319	297
Separations and redundancies	73	-
Total other payables	<u>810</u>	<u>623</u>

FEDERAL COURT OF AUSTRALIA

Notes to and forming part of the Financial Statements

Note 7: Interest Bearing Liabilities**Note 7: Leases**

Finance leases	243	633
Total finance leases	243	633
Payable		
Within one year:		
Minimum lease payments	173	421
Less future finance charges	(13)	(31)
In one to five years:		
Minimum lease payments	87	260
Less future finance charges	(4)	(17)
Finance lease recognised on the balance sheet	243	633

Finance leases are for certain major IT equipment assets and some office equipment. The leases are non-cancellable and for fixed terms averaging three years, with a maximum of five years. The interest rate implicit in the leases averaged 5.80% (2008: 5.70%). The leased assets secure the lease liabilities. The Court guarantees the residual values of all assets leased. There are no contingent rentals.

2009	2008
\$'000	\$'000

Note 8: Provisions**Note 8A: Judges & Employee provisions**

Long Leave (Judges)	9,111	9,989
Leave	6,935	6,529
Total judge and employee provisions	16,046	16,518
Employee provisions are represented by:		
Current	14,074	14,990
Non-current	1,972	1,528
Total judges and employee provisions	16,046	16,518

The classification of current employee provisions includes amounts for which there is not an unconditional right to defer settlement by one year, hence in the case of employee provisions the above classification does not represent the amount expected to be settled within one year of reporting date. Judge and employee provisions expected to be settled in twelve months from the reporting date are \$4,143,081 (2008 \$4,971,162), in excess of one year \$11,902,487 (2008: \$11,550,900).

Note 9: Cash flow reconciliation

Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement	2009	2008
	\$'000	\$'000
Report cash and cash equivalents as per:		
Cash Flow Statement	1,435	3,330
Balance Sheet	1,435	3,330

FEDERAL COURT OF AUSTRALIA

Notes to and forming part of the Financial Statements

	2009 \$'000	2008 \$'000
Reconciliation of operating result to net cash from operating activities:		
Operating result	(1,838)	(3,351)
Depreciation/amortisation	2,799	3,182
Net write down of non-financial assets	279	807
(Gain)/Loss on disposal of assets	(1)	(6)
Assets not previously recognised	(10)	(18)
Other asset adjustments	(82)	-
(Increase)/decrease in net receivables	(333)	5,559
(Increase)/decrease in prepayments	357	420
Increase/(decrease) in suppliers payables	863	615
Increase/(decrease) in judge and employee provisions	(285)	283
Increase/(decrease) in other liabilities	(390)	(611)
Net cash from/(used by) operating activities	1,359	6,880

Note 10: Senior Executive Remuneration

The number of senior executives who received or were due to receive total remuneration of \$130,000 or more:

	2009	2008
\$175,000 to \$189,999	-	1
\$190,000 to \$204,999	1	2
\$205,000 to \$219,999	2	-
\$220,000 to \$234,999	1	-
\$235,000 to \$249,999	4	3
\$250,000 to \$264,999	1	3
\$265,000 to \$279,999	1	-
\$280,000 to \$294,999	-	1
\$295,000 to \$309,999	-	1
\$310,000 to \$324,999	1	-
Total	11	11

	2009 \$	2008 \$
The aggregate amount of total remuneration of executives shown above:	2,660,833	2,643,734

Note 11: Remuneration of Auditors

Financial statement audit services are provided free of charge to the Court.

The fair value of the services provided was:

	2009 \$	2008 \$
The fair value of the services provided was:	100,000	90,000

No other services were provided by the Auditor-General.

Note 12: Financial Instruments

	2009 \$'000	2008 \$'000
Note 12A Categories of financial instruments		
Loans and receivables		
Loans and receivables		
Cash and cash equivalents	1,435	3,330
Trade receivables	600	556
Carrying amount of financial assets	2,035	3,886

FEDERAL COURT OF AUSTRALIA

Notes to and forming part of the Financial Statements

	2009	2008
	\$'000	\$'000
Financial Liabilities		
Other Liabilities		
Finance leases	243	633
Payables - suppliers	1,985	1,123
Carrying amount of financial liabilities	2,228	1,756

Note 12B: Fair value of financial instruments

	Carrying amount 2009 \$'000	Fair value 2009 \$'000	Carrying amount 2008 \$'000	Fair value 2008 \$'000
FINANCIAL LIABILITIES				
Other Liabilities				
Finance leases	243	243	633	633
Total	243	243	633	633

Note 12C Credit Risk

The Court is exposed to minimal credit risk as loans and receivables are cash and trade receivables. The maximum exposure to credit risk is the risk that arises from potential default of a debtor. This amount is equal to the total amount of trade receivables (2009: \$599,996 and 2008: \$556,213). The Court has assessed the risk of default on payment and has allocated nil in 2009 (2008: \$51,571) to an allowance for doubtful debts account.

The Court manages its credit risk by undertaking background and credit checks prior to allowing a debtor relationship. In addition, the Court has policies and procedures that are to be applied by employees who perform debt recovery duties.

The Court holds no collateral to mitigate credit risk.

Credit quality of financial instruments not past due or individually determined as impaired.

	Not Past Due Nor Impaired 2009 \$'000	Not Past Due Nor Impaired 2008 \$'000	Past due or impaired 2009 \$'000	Past due or impaired 2008 \$'000
Loans and receivables				
Cash	1,435	3,330	-	-
Trade receivables	582	449	18	107
Total	2,017	3,779	18	107

Ageing of financial assets that are past due but not impaired for 2009

	0 to 30 days \$'000	31 to 60 days \$'000	61 to 90 days \$'000	90+ days \$'000	Total \$'000
Loans and receivables					
Trade receivables	1	3	5	9	18
Total	1	3	5	9	18

Ageing of financial assets that are past due but not impaired for 2008

	0 to 30 days \$'000	31 to 60 days \$'000	61 to 90 days \$'000	90+ days \$'000	Total \$'000
Loans and receivables					
Trade receivables	6	33	-	17	56
Total	6	33	-	17	56

FEDERAL COURT OF AUSTRALIA

Notes to and forming part of the Financial Statements

Note 12D Liquidity Risk

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

The following tables illustrate the maturities for financial liabilities

	On demand 2009 \$'000	Within 1 year 2009 \$'000	1 to 5 years 2009 \$'000	Total 2009 \$'000
Other liabilities				
Payables - Suppliers	-	1,985	-	1,985
Finance leases	-	160	83	243
Total	-	2,145	83	2,228

	On demand 2008 \$'000	Within 1 year 2008 \$'000	1 to 5 years 2008 \$'000	Total 2008 \$'000
Other liabilities				
Payables - Suppliers	-	1,123	-	1,123
Finance leases	-	390	243	633
Total	-	1,513	243	1,756

The Court is appropriated funding from the Australian Government. The Court manages its budgeted funds to ensure it has adequate funds to meet payments as they fall due.

This note also applies to the Court's administered financial instruments and is therefore not reproduced at Note 17.

Note 12E: Market risk

The Court holds basic financial instruments that do not expose the Agency to certain market risks. The Court is not exposed to currency risk.

Interest Rate Risk

The only interest-bearing items on the balance sheet are the 'Finance lease'. All bear interest at a fixed interest rate and will not fluctuate due to changes in the market interest rate.

Note 13: Income Administered on Behalf of Government

	2009 \$'000	2008 \$'000
Fees (filing and hearing fees)	6,712	6,447
Fines	142	568
Other	135	113
Total revenue administered on behalf of government	6,989	7,128

Note 14: Expenses Administered on Behalf of Government

Expenses

Fees and fines – provision for doubtful debts	14	-
Total expenses administered on behalf of government	14	-

FEDERAL COURT OF AUSTRALIA

Notes to and forming part of the Financial Statements

	2009 \$'000	2008 \$'000
Note 15: Assets Administered on Behalf of Government		
<u>Financial Assets</u>		
Note 15A: Cash and cash equivalents		
Cash on hand or on deposit	55	45
Note 15B: Receivables		
Fees (filing and hearing fees)	307	342
Less: Allowance for doubtful debts	(59)	(45)
Total receivables (net)	248	297
Receivables are aged as follows:		
Not overdue	41	75
Overdue by:		
- Less than 30 days	99	79
- 30 to 60 days	40	86
- 60 to 90 days	24	25
- More than 90 days	103	77
Total receivables (gross)	307	342
All doubtful debts are for receivables more than 90 days overdue.		
Receivables are with entities external to the Australian Government. Credit terms are net 30 days (2008: 30 days).		
Reconciliation of the impairment allowance accounts:		
Opening balance	45	110
Increase/decrease recognised in net surplus	14	-
Amounts written off	-	(46)
Amounts recovered and reversed	-	(19)
Closing balance	59	45
Note 16: Administered Reconciliation Table		
Opening administered assets less administered liabilities as at 1 July	341	364
Plus: Administered income	6,989	7,128
Less: Administered expenses	(14)	-
Appropriation transfers from OPA	115	145
Transfers to OPA	(7,128)	(7,296)
Closing administered assets less administered liabilities as at 30 June	303	341
Note 17: Administered Financial Instruments		
Note 17A Categories of financial instruments		
Financial Assets		
Loans and receivables		
Cash	55	44
Trade receivables	307	342
	362	386
Carrying amount of financial assets	362	386

FEDERAL COURT OF AUSTRALIA

Notes to and forming part of the Financial Statements

Note 17B Credit Risk

The administered activities of the Court are not exposed to a high level of credit risk as the majority of financial assets are receivables. The Court has policies and procedures that guide employees who perform debt recovery functions. The maximum exposure to credit risk is outlined in the table below.

	2009 \$'000	2008 \$'000
Financial Assets		
Loans and receivables		
Receivables	307	342
Total	307	342

The Court has assessed the risk of default on payment and has allocated the following amounts to an allowance for doubtful debts account:

Receivables: **\$58,990** in 2009 (2008: \$44,689)

Credit quality of financial instruments not past due or individually determined as impaired

	Not Past Due Nor Impaired 2009 \$'000	Not Past Due Nor Impaired 2008 \$'000	Past due or impaired 2009 \$'000	Past due or impaired 2008 \$'000
Loans and receivables				
Cash	55	44	-	-
Trade receivables	41	75	266	267
Total	96	119	266	267

Ageing of financial assets that are past due but not impaired for 2009

	0 to 30 days \$'000	31 to 60 days \$'000	61 to 90 days \$'000	90+ days \$'000	Total \$'000
Loans and receivables					
Receivables	99	40	24	44	207
Total	99	40	24	44	207

Ageing of financial assets that are past due but not impaired for 2008

	0 to 30 days \$'000	31 to 60 days \$'000	61 to 90 days \$'000	90+ days \$'000	Total \$'000
Loans and receivables					
Receivables	79	86	25	32	222
Total	79	86	25	32	222

FEDERAL COURT OF AUSTRALIA

Notes to and forming part of the Financial Statements

Note 18: Appropriations

TABLE A - Acquittal of authority to Draw Cash from the Consolidated Revenue Fund for Ordinary Annual Services Appropriations

Particulars	Departmental Outputs	
	2009 \$'000	2008 \$'000
Balance carried from previous period	32,092	34,549
<i>Appropriation Act:</i>		
<i>Appropriation Act (No.1) 2008-09 as passed</i>	77,478	78,176
<i>Appropriation Act (No.3) 2008-09 as passed</i>	728	286
Departmental adjustments by the Finance Minister (<i>Appropriation Acts</i>)	-	-
Comcover receipts (<i>Appropriation Act s13</i>)	-	-
<i>FMA Act:</i>		
Appropriations to take account of recoverable GST (<i>FMA Act s30A</i>)	2,944	3,502
Repayments to the Commonwealth (<i>FMA Act s30</i>)	31	131
Relevant agency receipts (<i>FMA Act s31</i>)	10,775	10,520
Total appropriations available for payments	124,048	127,164
Cash payments made during the year (GST inclusive)	93,407	95,072
Appropriations credited to special Accounts (excluding GST)	-	-
Balance of Authority to Draw Cash from the Consolidated Revenue Fund for Ordinary Annual Services Appropriations	30,641	32,092
<i>Represented by:</i>		
Cash at bank and on hand	1,435	3,330
Departmental appropriations receivable	29,206	28,762
Total	30,641	32,092

TABLE B - Acquittal of authority to Draw Cash from the Consolidated Revenue Fund for Other than Ordinary Annual Services Appropriations

	Non-operating		Total	
	Equity			
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Balance carried forward from previous period	2,342	2,841	2,342	2,841
Appropriation Act (No.2)	-	102	-	102
Total appropriations available for payments	2,342	2,943	2,342	2,943
Cash payments made during the year (GST inclusive)	187	601	187	601
Balance of Authority to Draw Cash from the Consolidated Revenue Fund for Other Than Ordinary Annual Services Appropriations	2,155	2,342	2,155	2,342
<i>Represented by:</i>				
Cash at bank and on hand	-	-	-	-
Departmental appropriations receivable	2,155	2,342	2,155	2,342
Total	2,155	2,342	2,155	2,342

FEDERAL COURT OF AUSTRALIA

Notes to and forming part of the Financial Statements

Note 19: Special Accounts

Other Trust Moneys Account	2009	2008
	\$	\$
Legal authority: <i>Financial Management and Accountability Act, 1997, section 20</i>		
<i>Purpose:</i> for expenditure of moneys temporarily held on trust or otherwise for the benefit of a person other than the Commonwealth. This account is non-interest bearing.		
Balance carried from previous period	31,990	38,332
Other receipts	1,260,011	25,235
Total credits	1,292,001	63,567
Payments made	1,222,295	31,577
Balance carried to next period	69,706	31,990
Represented by:		
Cash – held by the Court	69,706	31,990
Total	69,706	31,990

Services for other Governments & Non-agency bodies	2009	2008
	\$	\$
Legal authority: <i>Financial Management and Accountability Act, 1997, section 20</i>		
<i>Purpose:</i> for expenditure in connection with services performed on behalf of other Governments and bodies that are not FMA agencies. This account is non-interest bearing.		
Balance carried from previous period	10,398	10,398
Other receipts	-	-
Total credits	10,398	10,398
Payments made	-	-
Balance carried to next period	10,398	10,398
Represented by:		
Cash – held by the Court	10,398	10,398
Total	10,398	10,398

Federal Court of Australia Litigant's Fund	2009	2008
	\$	\$
Legal Authority: <i>Financial Management and Accountability Act, 1997, section 20</i>		
<i>Purpose:</i> to hold private moneys for litigants pending acceptance of moneys paid into Court by litigants; security for costs or pursuant to an order of a Federal Court Judge. This account is non-interest bearing.		
Balance carried from previous period	1,606,605	2,028,626
Other receipts	7,178,090	2,891,013
Total credits	8,784,695	4,919,639
Payments made	6,472,775	3,313,034
Balance carried to next period	2,311,920	1,606,605
Represented by:		
Cash – held by the Court	2,311,920	1,606,605
Total	2,311,920	1,606,605

FEDERAL COURT OF AUSTRALIA

Notes to and forming part of the Financial Statements

Federal Court of Australia Litigant's Fund	2009	2008
	\$	\$
Legal authority: <i>Financial Management and Accountability Act, 1997, section 39</i>		
<i>Purpose:</i> to invest private moneys paid by litigants pursuant to an order of a Federal Court Judge, pending an order for payment out by a Federal Court Judge. This account is interest bearing.		
Balance carried from previous period	23,493,476	8,598,517
Other receipts	47,618,484	24,774,872
Total credits	71,111,960	33,373,389
Payments made	16,153,560	9,879,913
Balance carried to next period	54,958,400	23,493,476
Represented by:		
Cash – held by the Court	54,958,400	23,493,476
Total	54,958,400	23,493,476

Note 20: Compensation and Debt Relief

	2009	2008
Administered	\$	\$
No Act of Grace expenses were incurred during the reporting period under sub-section 33(1) of the <i>Financial Management and Accountability Act 1997</i> . (2008: No Act of Grace Expenses)	-	-
No payments were waived during the reporting period under subsection 34(1) of the <i>Financial Management and Accountability Act 1997</i> . (2008: No Waivers).	-	-
2,724 exemptions and waivers of amounts owing to the Commonwealth were made pursuant to sub-regulations 2(4)(a-c), 2A(2)(e-g), 2AA(2)(f-h) of the <i>Federal Court of Australia Regulations 2004</i> . (2008: 2,957)	2,343,398	3,125,260

Departmental

No payments were made under the 'Defective Administration Scheme' during 2008-09 (2007-08 nil).

FEDERAL COURT OF AUSTRALIA

Notes to and forming part of the Financial Statements

Note 21: Reporting of Outcomes

Note 21A: Net Cost of Outcome Delivery

The Court has one Output and Outcome:

To apply and uphold the rule of law to deliver remedies and enforce rights and in so doing, contribute to the social and economic development and well-being of all Australians.

Outcome 1	Outcome 1	
	2009 \$'000	2008 \$'000
Expenses		
Administered	14	-
Departmental	105,554	107,799
Total expenses	105,568	107,799
Costs recovered from provision of goods and services to the non-government sector		
Administered	-	-
Departmental	-	-
Total costs recovered	-	-
Other external revenues		
Administered	6,989	7,128
Departmental	10,251	10,902
Total other external revenues	17,240	18,030
Net cost/(contribution) of outcome	88,328	89,769

Note 21B: Major Classes of Departmental Revenues and Expenses by Outputs

Outcome 1	Outcome 1/Output 1.1	
	2009 \$'000	2008 \$'000
Departmental expenses		
Judges and Employees	58,291	56,463
Suppliers	44,154	47,250
Depreciation and Amortisation	2,799	3,182
Finance costs	31	52
Other Expenses	279	852
Total departmental expenses	105,554	107,799
Funded by:		
Revenues from government	93,464	93,546
Sale of goods and services	10,252	10,902
Total departmental revenues	103,716	104,448