

APPENDIX 1

Financial Statements 2002 – 2003

undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia and statutory requirements so as to present a view which is consistent with my understanding of the Federal Court of Australia's financial position, its financial performance and its cash flows.

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

Audit Opinion

In my opinion the financial statements:

- (i) have been prepared in accordance with Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*; and
- (ii) give a true and fair view, in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia and the Finance Minister's Orders, of the financial position of the Federal Court of Australia as at 30 June 2003, and its financial performance and cash flows for the year then ended.

Australian National Audit Office



P Hinchey
Senior Director

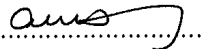
Delegate of the Auditor-General
Sydney
10 September 2003

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 2003 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*.


Signed.....

Warwick Soden
Registrar and Chief Executive Officer


.....

Anne Hicking
Chief Finance Officer

9 September 2003

FEDERAL COURT OF AUSTRALIA
STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 30 June 2003

	Notes	2003 \$'000	2002 \$'000
Revenues from ordinary activities			
Revenues from Government	3A	77,412	75,705
Sales of goods and services	3B	1,195	1,393
Interest	3C	809	836
Revenue from sale of assets	3D	154	68
Revenues from ordinary activities		79,570	78,002
Expenses from ordinary activities			
Judges and employees	4A	40,672	38,452
Suppliers	4B	30,629	32,689
Depreciation and amortisation	4C	2,184	2,168
Write-down of assets	4D	39	2,310
Value of assets sold	3D	459	68
Expenses from ordinary activities		73,983	75,687
Net surplus		5,587	2,315
Net credit to asset revaluation reserve	10	-	926
Total revenues, expenses and valuation adjustments attributable to the Commonwealth Government and recognised directly in equity		5,587	3,241
Total changes in equity other than those resulting from transactions with owners as owners		5,587	3,241

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

FEDERAL COURT OF AUSTRALIA
STATEMENT OF FINANCIAL POSITION
as at 30 June 2003

	Notes	2003 \$'000	2002 \$'000
ASSETS			
Financial assets			
Cash	5A	1,927	4,726
Receivables	5B	11,547	405
Other investments	5C	-	3,500
Total financial assets		13,474	8,631
Non-financial assets			
Land and buildings	6A	3,981	4,567
Infrastructure, plant and equipment	6B	9,099	9,781
Intangibles	6C	701	955
Other	6G	15,476	14,815
Total non-financial assets		29,257	30,118
TOTAL ASSETS		42,731	38,749
LIABILITIES			
Interest Bearing Liabilities			
Other	7A	546	750
Total interest bearing liabilities		546	750
Provisions			
Capital use charge	8A	-	52
Judges and employees	8B	14,226	12,636
Total provisions		14,226	12,688
Payables			
Suppliers	9A	349	430
Total payables		349	430
TOTAL LIABILITIES		15,121	13,868
NET ASSETS		27,610	24,881
EQUITY			
Contributed Equity	10A	4,585	4,585
Reserves	10A	1,245	1,245
Retained surpluses	10A	21,780	19,051
TOTAL EQUITY		27,610	24,881
Current assets		23,445	19,260
Non-current assets		19,286	19,489
Current liabilities		4,777	4,173
Non-current liabilities		10,344	9,695

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

FEDERAL COURT OF AUSTRALIA
STATEMENT OF CASH FLOWS
for the year ended 30 June 2003

	Notes	2003 \$'000	2002 \$'000
OPERATING ACTIVITIES			
Cash received			
Goods and services		1,231	1,912
Appropriations		65,440	64,931
Interest		450	490
GST received from ATO		2,414	2,971
Total cash received		69,535	70,304
Cash used			
Judges and employees		33,495	32,341
Suppliers		25,453	27,918
GST paid to ATO		2,370	2,726
Total cash used		61,318	62,985
Net cash from operating activities	11	8,217	7,319
INVESTING ACTIVITIES			
Cash received			
Proceeds from sales of property, plant and equipment		170	72
Proceeds from maturity of term deposits		65,000	126,300
Total cash received		65,170	126,372
Cash used			
Purchase of property, plant and equipment		1,101	2,641
Purchase of intangibles		98	84
Purchase of term deposits		61,500	128,800
Cash Transferred to the OPA		10,600	-
Total cash used		73,299	131,525
Net cash (used by) investing activities		(8,129)	(5,153)
FINANCING ACTIVITIES			
Cash used			
Capital use charge paid		2,511	3,004
Returns to owner		376	-
Total cash used		2,887	3,004
Net cash (used by) financing activities		(2,887)	(3,004)
Net (decrease) in cash held		(2,799)	(838)
Cash at the beginning of the reporting period		4,726	5,564
Cash at the end of the reporting period	5A	1,927	4,726

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

FEDERAL COURT OF AUSTRALIA
SCHEDULE OF COMMITMENTS
as at 30 June 2003

	Notes	2003 \$'000	2002 \$'000
BY TYPE			
Capital Commitments			
Infrastructure, Plant and Equipment		17	33
Total capital commitments		17	33
Other Commitments			
Operating Leases ¹		122,893	121,051
Goods and services contracts		1,301	1,536
Total other commitments		124,194	122,587
Commitments receivable		(11,292)	(11,481)
Net Commitments		112,919	111,139
BY MATURITY			
Capital commitments			
One year or less		17	33
From one to five years		-	-
Over five years		-	-
Operating Lease Commitments			
One year or less		12,089	10,830
From one to five years		47,591	42,564
Over five years		63,212	56,652
Net Commitments by maturity		122,909	110,079

All commitments are Goods and Services Tax inclusive where relevant.

¹ Operating leases are effectively non-cancellable and comprise:

<i>Nature of lease</i>	<i>General description of leasing arrangement</i>
Leases for office accommodation	These commitments are mainly for rental of special purpose court buildings which are occupied by the Court's registries. These court buildings are owned by the Commonwealth of Australia, except the New South Wales court building which is owned by Law Courts Limited, a joint venture between the NSW State and Commonwealth Governments. There are no formal lease agreements executed which detail future payments. However, the rental amounts have been reliably measured and disclosed as they are the amounts expected to be payable under the arrangement with the Commonwealth and State Governments.
Leases of photocopiers	The Court leases a number of photocopiers under various contracts.
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 late 2003.
Leases of computer equipment	The Court leases computer equipment as necessary in 3 year supply contract.

SCHEDULE OF CONTINGENCIES
as at 30 June 2003

There were no contingent losses or gains as at 30 June 2003.

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

FEDERAL COURT OF AUSTRALIA			
SCHEDULE OF ADMINISTERED ITEMS			
	Notes	2003 \$'000	2002 \$'000
Revenues Administered on Behalf of Government			
<i>for the year ended 30 June 2003</i>			
Non taxation revenue			
Fees	17	4,414	4,450
Fines	17	38	61
Other	17	187	156
Total Revenues Administered on Behalf of Government		4,639	4,667
Expenses Administered on Behalf of Government			
<i>for the year ended 30 June 2003</i>			
Refund of fees and fines	18	68	82
Fees and Fines – provision for doubtful debts	18	44	-
Total expenses Administered on Behalf of Government		112	82
Assets Administered on Behalf of Government			
<i>as at 30 June 2003</i>			
Financial Assets			
Cash	19	29	28
Receivables	19	81	287
Total Assets Administered on Behalf of Government		110	315
Net Assets Administered on Behalf of Government	20	110	315
Current Liabilities		-	-
Non Current Liabilities		-	-
Current Assets		110	315
Non Current Assets		-	-
Administered Cash Flows			
<i>for the year ended 30 June 2003</i>			
Operating Activities			
Cash Received			
Fees and Fines		4,615	4,480
Cash from Official Public Account		65	75
Other		187	156
Total cash received		4,867	4,711
Cash used			
Refund of court fees and fines		68	82
Cash to Official Public Account		4,798	4,635
Total cash used		4,866	4,717
Net cash from/(used in) operating activities		1	(6)
Net increase/(decrease) in cash held		1	(6)
<i>Cash at the beginning of the reporting period</i>		28	34
Cash at the end of the reporting period		29	28

Statement of Activities Administered on Behalf of Government

The major administered financial activities of the Court relate to collection of Court fees and fines on behalf of the Government. Details of planned activities for the year can be found in the Portfolio Budget and Portfolio Additional Estimates for 2002/03 which have been tabled in Parliament.

This schedule should be read in conjunction with the accompanying notes.

FEDERAL COURT OF AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2003

Note	Description
1	Summary of Significant Accounting Policies
2	Events Occurring after Balance Date
3	Operating Revenues
4	Operating Expenses
5	Financial Assets
6	Non-Financial Assets
7	Interest Bearing Liabilities
8	Provisions
9	Payables
10	Equity
11	Cash Flow Reconciliation
12	Executive Remuneration
13	Remuneration of Auditors
14	Average Staffing Levels
15	Act of Grace Payments, Waivers and Defective Administration Scheme
16	Financial Instruments
17	Revenues Administered on Behalf of Government
18	Expenses Administered on Behalf of Government
19	Assets Administered on Behalf of Government
20	Administered Reconciliation Table
21	Administered Financial Instruments
22	Appropriations
23	Assets Held in Trust
24	Special Public Money
25	Reporting of Outcomes

FEDERAL COURT OF AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2003

Note 1: Summary of Significant Accounting Policies

1.1 Objectives of the Court

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 the following 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.

1.2 Basis of Accounting

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

The statements have been prepared in accordance with:

- Finance Minister's Orders (being the Financial Management and Accountability (Financial Statements for reporting periods on or after 30 June 2003) Orders);
- Australian Accounting Standards and Accounting Interpretations issued by the Australian Accounting Standards Board; and
- the Consensus Views of the Urgent Issues Group.

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

Assets and liabilities are recognised in the Statement of Financial Position when and only when it is probable that future economic benefits will flow and the amounts of assets or liabilities can be reliably measured. Assets and liabilities arising under agreements equally proportionately unperformed are however not recognised unless required by an Accounting Standard. Liabilities and assets which are unrecognised are reported in the Schedule of Commitments and the Schedule of Contingencies.

Revenues and expenses are recognised in the Statement of Financial Performance when and only when the flow or consumption or loss of economic benefits has occurred and can be reliably measured.

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.

Administered revenues, expenses, assets and liabilities and cash flows reported in notes 17, 18 and 19 are reported on the same basis and using the same policies as for Court items except where otherwise stated in note 1.20.

1.3 Changes in Accounting Policy

The accounting policies used in the preparation of these financial statements are consistent with those used in 2001-02 except in respect of:

- the accounting for output appropriations (refer to note 1.4)
- measurement of certain employee benefits at nominal amounts (refer to Note 4A)
- the initial revaluation of property plant and equipment on a fair value basis (refer to Note 1.13); and
- the imposition of an impairment test for non-current assets carried at cost (refer to Note 1.14).

1.4 Revenues

The revenues described in this note and note 1.20 are revenues relating to the core operating activities of the Court, whether in its own right or on behalf of the Commonwealth. Details of revenue amounts are given in Notes 3 and 17.

Revenues from Government

Departmental appropriations for the year are recognised as revenue, except for certain amounts which relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned.

Resources Received Free of Charge

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

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

Other Revenue

Recognition of other revenue items is as follows:

- Revenue from the sale of goods is recognised upon the delivery of goods to customers.
- Court revenue from the rendering of a service is recognised by reference to the stage of completion of contracts or other agreements to provide services. The stage of completion is determined according to the proportion that costs incurred to date bear to the estimated total costs of the transaction.
- Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.
- Revenue from disposal of non-current assets is recognised when control of the asset has passed to the buyer.

1.5 Transactions with the Government as Owner

Capital Use Charge

A Capital Use Charge of 11% (2001/02: 11%) is imposed by the Government on the Court's net assets at year end. The net assets figure is adjusted to take account of asset gifts and revaluation increments during the financial year. The Charge is accounted for as a dividend to Government.

In accordance with the recommendations of a review of Budget Estimates and Framework, the Government has decided that the Charge will not operate after 30 June 2003.

1.6 Judges 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 wages and salaries (including non-monetary benefits) and annual leave are measured at their nominal amounts. Other employee benefits expected to be settled within 12 months of the reporting date are also measured at their nominal amounts.

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability. This is a change in the accounting policy from last year required by an initial application of a new Accounting Standard AASB 1028 from 1 July 2002. The Court's certified agreement provides for an increase of 4% to pay rates on 1 July 2003 and a further 4% on 1 July 2004.

All other employee benefit liabilities are measured as the present value of the estimated future cashflows to be made in respect of services provided by 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 leave liabilities are calculated on the basis of employees' remuneration including 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.

The long service leave provision is based on the Federal Court's estimated liability at balance date for long service leave entitlements of its employees. Court staff employed under the *Public Service Act* accrue 3 months long service leave after 10 years service, and progressively thereafter on a proportional basis. The Federal Court accrues this provision for each employee based on the probability that long service leave will be taken in the future or paid out once the employee meets the qualifying 10 years. 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 non-current portion of the liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at 30 June 2003. In determining the present value of the liability, the Court has taken into account attrition rates and pay increases through promotion and inflation.

Separation and Redundancy

Provision is made for separation and redundancy benefit payments. The Court has agreed to voluntary redundancy arrangements and is presently obliged to make such payments.

Superannuation

Staff of the Court are members of the Commonwealth Superannuation Scheme and the Public Sector Superannuation Scheme. The liability for their superannuation benefits is recognised in the financial statements of the Commonwealth and is settled by the Commonwealth in due course.

The Court makes employer contributions to the Commonwealth at rates determined by an actuary to be sufficient to meet the cost to the Commonwealth of the superannuation entitlements of the Court's employees. The liability for superannuation recognised as at 30 June represents outstanding contributions for the final fortnight for the year.

Judges' Pension

Under the *Judges' Pension Act 1968* Federal Court judges are entitled to a non-contributory pension of 60% of current judicial salary after attaining the age of 60 years and having served 10 years or more as a judge or upon retirement on the ground of invalidity. Pro rata pension is payable after 6 years service as a judge upon retirement. As the liability for these pension payments is assumed by the Commonwealth, the Court has not recognised a liability for unfunded superannuation liability.

The Court has, however, recognised both an expense and a corresponding revenue item, "Liabilities assumed by other agencies", in respect of the notional amount of the employer contributions to Judges' non-contributory pension for the reporting period amounting to \$5,286,551 (2001-02: \$4,889,690). The amount has been calculated by multiplying a contribution rate of 51.7% per annum by the judges' total annual salary in respect of Federal Court judges. The contribution rate has been provided by the Australian Government Actuary.

The Court has also recognised an additional expense of \$324,084 (2001-02: \$189,166) in relation to the notional amount of the employer contribution to Judges' pension in respect of the relevant portion of Judges' accrued leave, which is expected to be taken in the future. An equal amount has been included in "Liabilities assumed by other agencies".

1.7 Leases

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of leased non-current assets and operating leases under which the lessor effectively retains substantially all such risks and benefits. As at balance date the Court did not have any assets acquired under finance lease. Therefore, all leased assets have been classified as operating leases. Operating lease payments are expensed on a basis which is representative of the pattern of benefits derived from the leased assets.

Lease incentives taking the form of "free" leasehold improvements and rent-free holidays are recognised as liabilities. These liabilities are reduced by allocating lease payments between rental expense and reduction of the liability.

1.8 Cash

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

1.9 Financial Instruments

Accounting policies for financial instruments are stated in Notes 16 and 21.

1.10 Receivables

All outstanding accounts are reviewed periodically and debts are written off as bad when so identified. The write-off is to expense or, to the extent that a provision for a doubtful debt already existed, as a reversal of the provision. A provision is raised for any doubtful debts based on a review of all outstanding accounts at the year end.

1.11 Prepayments

The prepayment for accommodation expenses shown in note 6G comprises two components. The first component represents a prepayment of rent for the period 1 July to 31 December 2003 as required under the Court's existing lease arrangements. The second component represents prepayment of the Court's contribution towards costs associated with the maintenance of law court buildings (excluding the New South Wales Law Courts Building) occupied by the Court. These funds are managed by the Court's property portfolio manager, who acquits all expenditure on a monthly basis.

The prepayment of library expenses represents subscriptions paid in advance.

1.12 Acquisition of assets

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

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

1.13 Property, plant and equipment

Assets recognition threshold

Purchases of all property, plant and equipment are recognised initially at cost in the Statement of Financial Position, except for purchases of:

- assets other than information technology equipment costing less than \$2,000;
- 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).

Library materials are partially capitalised based on the nature of the materials and their expected useful lives.

Revaluations

Buildings, infrastructure, plant and equipment have been revalued progressively in accordance with the 'deprival' method of valuation in successive 3-year cycles, so that no asset has a value greater than 3 years old. Revaluations undertaken up to 30 June 2002 were done on a deprival basis; future revaluations will be done at fair value. This change in accounting policy is required by Australian Accounting Standard AASB 1041 *Revaluation of Non-Current Assets*.

The Court revalued all of its property, plant and equipment during the 2001-02 financial year. These valuations were carried out by independent valuers. Assets acquired after the commencement of the revaluation are reported at cost. All assets will be revalued in 2004-05.

Recoverable Amount Test

From 1 July 2002, the Schedule 1 no longer requires the application of the recoverable amount test in Australian Accounting Standard AAS 10 *Recoverable Amount of Non-current Assets* to the assets of agencies where the primary purpose of the asset is not the generation of net cash inflows.

No property plant and equipment assets have been written down to recoverable amount per AAS 10. Accordingly, the change in policy has had no financial effect.

Depreciation and Amortisation

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

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

	2003	2002
Leasehold improvements	10 years or Lease term	10 years or Lease term
Plant and equipment – excluding library materials	4 to 10 years	4 to 10 years
Plant and equipment – library materials	5 to 40 years	5 to 40 years

The aggregate amount of depreciation and amortisation allocated for each class of asset during the reporting period is disclosed in Note 4C.

1.14 Intangibles

The Court's intangibles comprise externally purchased software which is carried at cost.

Intangible assets are amortised on a straight-line basis over their anticipated useful lives. Useful lives are:

	2003	2002
Software	5 years	5years

All software assets were assessed for impairment as at 30 June 2003. None were found to be impaired.

1.15 Commitments

Commitments at 30 June 2003 reflect agreements between the Court and third parties in which neither party has fulfilled any contractual obligations and unperformed portion of contractual obligations in agreements in which both parties have performed some of their obligations while other obligations have yet to be honoured.

1.16 Resources provided free of charge

Federal Magistrates Court

The Federal Court of Australia provides resources free of charge to the Federal Magistrates Court in accordance with sections 90, 92 and 99 of the *Federal Magistrates Act 1999*. Resources provided free of charge include:

- Federal Court staff performing work on behalf of the Federal Magistrates Court, and
- accommodation, including access to the Court's courtrooms.

It is estimated that the cost of the resources provided free of charge by the Federal Court to the Federal Magistrates Court during 2002-03 was \$4,487,950 (2001-02: \$3,173,491).

Industrial Relations Court of Australia

Legislation passed by Federal Parliament in late November 1996, specifically Schedule 16 of the *Workplace Relations and Other Legislation Amendment Act 1996 (WROLA)*, provided for the jurisdiction previously exercised by the Industrial Relations Court of Australia to be transferred to the Federal Court on 26 May 1997.

Despite the transfer of the industrial relations jurisdiction to the Federal Court, the Industrial Relations Court of Australia continues to have jurisdiction over certain matters where a substantive hearing in the proceedings had commenced, or where hearings had been completed before the transfer date. Schedule 16 of the *Workplace Relations and Other Legislation Amendment Act 1996* provides that the Chief Justice of the Federal Court may arrange with the Chief Justice of the Industrial Relations Court for staff, facilities and any other necessary support to be made available to the Industrial Relations Court for the purposes of the Industrial Relations Court. It is estimated that the cost of the resources provided free of charge by the Federal Court to the Industrial Relations Court during 2002-03 was \$1,269 (2001-02: \$15,824).

1.17 Insurance

The Court has insured for risks through the Government's insurable risk managed fund, called 'Comcover'. Workers compensation for Court employees is insured through Comcare Australia. The Chief Justice and Judges of the Court are provided for on a case-by-case basis through the *Judges Pension Act 1968* and Act of Grace provisions.

1.18 Comparative Figures

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

1.19 Rounding

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

- transactions of the Assets Held in Trust and Special Public Money;
- act of grace payments and waivers;
- remuneration of executives;
- remuneration of auditors; and
- appropriation note disclosures.

1.20 Reporting of administered activities

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

Accounting policies for administered items are as stated in note 1.2.

These financial statements do not report the receipt of administered appropriations from the Official Public Account (OPA) as administered revenues, nor are transfers of administered receipts to the OPA reported as administered expenses. These transactions or balances are internal to the Administered entity. Transfers of cash are reported as administered (operating) cash flows.

Accounting policies which are relevant to administered activities of the Court are disclosed below.

Revenues

All administered revenues are revenues relating to the core operating activities performed by the Court on behalf of the Commonwealth. These comprise fees and fines.

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.

Revenue from fines is recognised in the period in which the invoice for the fine is raised.

Note 2: Events Occurring After Balance Date

The Court is not aware of any significant events that have occurred since balance date which warrant disclosure in these statements.

Note 3: Operating Revenues

2003	2002
\$'000	\$'000

Note 3A: Revenues from Government

Appropriation for outputs	66,062	64,931
Reimbursements received from other Government agencies	-	111
Resources received free of charge	5,739	5,584
Liabilities assumed by other agencies	5,611	5,079
Total	77,412	75,705

Resources received free of charge includes an amount of \$5,547,582 (2001-02 \$5,407,000) 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.

Note 3B: Sales of Goods and Services

Goods	-	9
Services	1,155	1,384
Resources received free of charge	40	-
Total sales of goods and services	1,195	1,393
Provision of goods and services to:		
Related entities	844	1,073
External entities	351	320
Total sales of goods	1,195	1,393

Note 3C: Interest Revenue

Interest on deposits	809	836
----------------------	-----	-----

Note 3D: Net Losses From Sale of Assets

Infrastructure, plant and equipment:		
Proceeds from disposal	154	68
Net book value of assets disposed	459	68
Net loss from disposal of infrastructure, plant and equipment	(305)	-

Note 4: Operating Expenses**Note 4A: Judges and Employee Expenses**

Remuneration	32,147	30,830
Superannuation	8,092	7,387
Separation and redundancies	243	-
Total employee benefits expense	40,482	38,217
Workers compensation premiums	190	235
Total employee expenses	40,672	38,452

<u>Note 4B: Supplier Expenses</u>	2003	2002
	\$'000	\$'000
Goods from related entities	14,726	17,747
Operating lease rentals*	15,903	14,942
Total supplier expenses	30,629	32,689

*These comprise minimum lease payments only.

Note 4C: Depreciation and Amortisation

<i>Depreciation</i>		
Leasehold improvements	791	598
Plant and equipment	1,082	1,321
Total Depreciation	1,873	1,919
<i>Amortisation</i>		
Intangibles	311	249
Total depreciation and amortisation	2,184	2,168

Note 4D: Write down of Assets

Non-financial assets:		
Plant and equipment - write-off on disposal	39	203
Intangibles – write-down (refer to note 1.14)	-	2,107
Total write-down of assets	39	2,310

Note 5: Financial Assets

Note 5A: Cash

Cash on hand		
Departmental	1,927	4,726
Total cash	1,927	4,726

Note 5B: Receivables

Goods and services	34	58
Less: Provision for doubtful debts	-	-
GST Receivable from the Australian Taxation Office	291	310
Interest receivable	-	37
Appropriations receivable	11,222	-
Total receivables (net)	11,547	405

All receivables are current assets

Receivables (gross) are aged as follows:

Not overdue	11,525	374
Overdue by:		
- Less than 30 days	1	4
- 30 to 60 days	-	2
- 60 to 90 days	-	10
- More than 90 days	21	15
	22	31
Total receivables (gross)	11,547	405

Note 5C: Investments

Cash on deposit	-	3,500
-----------------	---	-------

Note 6: Non-Financial Assets

<u>Note 6A: Land and Buildings</u>	2003	2002
	\$'000	\$'000
Leasehold Improvements – at cost	1,836	1,632
Accumulated amortisation	(207)	(28)
	1,629	1,604
Leasehold Improvements – at 2001-02 valuation (deprival)	6,114	6,114
Accumulated amortisation	(3,762)	(3,151)
	2,352	2,963
<i>Total Land and Buildings (non-current)</i>	3,981	4,567
<u>Note 6B: Infrastructure, Plant and Equipment</u>		
Plant and Equipment – at cost	1,168	287
Accumulated depreciation	(72)	(5)
	1,096	282
Plant and Equipment – at 2001-02 valuation (deprival)	11,222	12,962
Accumulated depreciation	(3,219)	(3,463)
	8,003	9,499
<i>Total Infrastructure, Plant and Equipment (non-current)</i>	9,099	9,781
<u>Note 6C: Intangibles</u>		
Computer Software Purchased – at cost	1,586	1,529
Accumulated amortisation	(885)	(574)
	701	955
<i>Total intangibles</i>	701	955

All revaluations were completed before 30 June 2002 in accordance with the policy stated in Note 1.13 and were completed by an independent valuer (Australian Valuation Office).

Note 6D: Analysis of Property, Plant, Equipment and Intangibles

TABLE A: Reconciliation of the opening and closing balances of property, plant, equipment and intangibles

Item	Leasehold improvements- Total land and buildings \$'000	Other infrastructure, plant and equipment \$'000	Total property, plant and equipment \$'000	Computer Software – Intangibles \$'000	Total \$'000
As at 1 July 2002:					
Gross book value	7,746	13,248	20,994	1,529	22,523
Accumulated depreciation/ amortisation	(3,179)	(3,467)	(6,646)	(574)	(7,220)
Net book value	4,567	9,781	14,348	955	15,303
Additions					
By purchase	204	888	1,092	69	1,161
Depreciation/amortisation expense	(790)	(1,082)	(1,872)	(311)	(2,183)
Disposals					
Other disposals	-	(488)	(488)	(11)	(498)
As at 30 June 2003					
Gross book value	7,950	12,390	20,340	1,586	21,926
Accumulated depreciation/ amortisation	(3,969)	(3,291)	(7,260)	(885)	(8,145)
Net book value	3,981	9,099	13,080	701	13,781

Note 6E: Analysis of Property, Plant, Equipment and Intangibles

TABLE B: Assets at valuation

Item	Leasehold improvements – Total land and buildings \$'000	Total Plant and equipment \$'000	Total \$'000
As at 30 June 2003			
Gross value	6,114	11,222	17,336
Accumulated Depreciation/amortisation	(3,762)	(3,219)	(6,981)
Net book value	2,352	8,003	10,355
As at 30 June 2002			
Gross value	6,114	12,962	19,076
Accumulated depreciation /amortisation	(3,151)	(3,463)	(6,614)
Net book value	2,963	9,499	12,462

Note 6F: Other Non-Financial Assets

	2003	2002
	\$'000	\$'000
Prepayments:	<u>15,476</u>	<u>14,815</u>

Note 7: Interest Bearing Liabilities

	2003	2002
	\$'000	\$'000
<u>Note 7A: Other Interest Bearing Liabilities</u>		
Lease Incentive	546	750
Other Interest Bearing Liabilities are represented by:		
Current	204	204
Non-current	342	546
Total other interest bearing liabilities	546	750

Note 8: ProvisionsNote 8A: Capital Use Charge Provision

Capital use charge	-	52
Balance owing 1 July	52	353
Capital Use Charge provided for during the period	2,820	2,703
Adjustment former years	(361)	
Capital Use Charge paid	(2,511)	(3,004)
Balance owing 30 June	-	52

The capital use charge provision is a current liability

Note 8B: Judges and Employee Provisions

Salaries and wages	687	481
Leave	12,553	11,340
Superannuation	661	618
Separations and redundancies	133	-
Fringe Benefits Tax	192	197
<i>Aggregate Judges and employees entitlement liability</i>	14,226	12,636
<i>Aggregate Judges and employees benefit liability and related on-costs</i>	14,226	12,636
Judges and employees provisions are represented by:		
Current	4,224	3,487
Non-current	10,002	9,149

Note 9: PayablesNote 9A: Supplier Payables

Trade Creditors	256	296
Operating lease rentals	3	8
Sundry Creditors	90	126
Total supplier payables	349	430
Suppliers payables are represented by:		
Current	259	430
Non-current	90	-
Total supplier payables	349	430

Note 10: EquityNote 10A: Analysis of Equity

Item	Accumulated Results		Asset Revaluation Reserves		Contributed Equity		TOTAL EQUITY	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Opening Balance as at 1 July	19,051	19,439	1,245	319	4,585	4,585	24,881	24,343
Net surplus	5,587	2,315	-	-	-	-	5,587	2,315
Net revaluation increment	-	-	-	926	-	-	-	926
Decrease in retained surpluses on application of transitional provisions in accounting standard AASB 1028 <i>Employee Benefits</i>	(23)	-	-	-	-	-	(23)	-
Transactions with owner:								
Distributions to owner:	(376)						(376)	
Returns on Capital								
Capital Use Charge	(2,820)	(2,703)					(2,820)	(2,703)
Returns of Capital								
Capital Use Charge	361						361	
Closing balance as at 30 June	21,780	19,051	1,245	1,245	4,585	4,585	27,610	24,881
<i>Total equity attributable to the Commonwealth</i>	21,780	19,051	1,245	1,245	4,585	4,585	27,610	24,881

Note 11: Cash Flow Reconciliation

	2003 \$'000	2002 \$'000
Reconciliation of cash per Statement of Financial Position to Statement of Cash Flows		
• Cash at year end per Statement of Cash Flows	1,927	4,726
• Statement of Financial Position items comprising above cash: 'Financial Assets - Cash'	1,927	4,726
Reconciliation of net surplus to net cash from operating activities.		
Net surplus	5,587	2,315
Depreciation/amortisation	2,184	2,168
Net write down of non-financial assets	39	2,310
Loss on disposal of assets	305	-
Decrease (increase) in net receivables	(542)	379
(Increase)/decrease in prepayments	(661)	(634)
Other changes in the opening balances of assets	-	317
Increase (decrease) in suppliers payables	(81)	(171)
Increase in judge and employee provisions	1,590	839
Decrease in other liabilities	(204)	(204)
Net cash from/(used by) operating activities	8,217	7,319

Note 12: Executive Remuneration

The number of executive officers of the Court who received, or were due to receive, total remuneration of \$100,000 or more is as follows:

Total Remuneration	2003	2002
\$100,000 to \$109,999	-	1
\$120,000 to \$129,999	-	1
\$130,001 to \$139,999	-	2
\$150,000 to \$159,999	2	2
\$160,000 to \$169,999	1	-
\$170,000 to \$179,999	4	-
\$180,000 to \$189,999	1	2
\$190,000 to \$199,999	-	1
\$210,000 to \$229,999	-	1
\$250,000 to \$259,999	1	-
	9	10

The aggregate amount of total remuneration of the executives shown above:

\$1,617,771	\$1,607,077
--------------------	-------------

Note 13: Remuneration of Auditors

	2003	2002
	<u>\$</u>	<u>\$</u>
Financial statement audit services are provided free of charge to the Court by the Australian National Audit Office. The fair value of audit services provided was:	67,000	67,000

The audit fees for the Industrial Relations Court of Australia were borne by the Federal Court and have been included in the amounts disclosed in this note. No other services were provided by the Auditor-General during the financial year.

Note 14: Average Staffing Levels

	2003	2002
The average staffing levels for the Federal Court during the year were:	<u>322.6</u>	<u>342.2</u>

Note 15: Act of Grace Payments, Waivers and Defective Administration Scheme

No payments were waived during the financial year 2002-03 under sub-section 34(1) of the *Financial Management and Accountability Act 1997*.

The following details are furnished in relation to amounts waived during the financial year under legislation administered by the Court. Registrars are given the authority to waive or postpone fees where payment would cause hardship or where the potential payer is in receipt of legal aid from an approved organisation.

	2003		2002	
	Number	Amount \$	Number	Amount \$
Sub-regulation 2(4) Federal Court Regulations				
- Sub-regulation 2(4)(a) (Legal Aid)	146	54,699	200	69,961
- Sub-regulation 2(4)(b) (Holder of Pension or Health Card or Prison Inmate)	788	558,740	1,112	686,781
- Sub-regulation 2(4)(c) (Waive on basis of level of income)	985	665,832	748	447,468
Sub-regulation 2A(2) Federal Court Regulations				
- Sub-regulation 2A(2)(e) (Legal Aid)	211	76,860	272	95,870
- Sub-regulation 2A(2)(f) (Holder of Pension or Health Card or Prison Inmate)	292	101,756	255	78,482
- Sub-regulation 2A(2)(g) (Waive on basis of level of income)	215	112,562	160	63,959
Sub-regulation 2AA(2) Federal Court Regulations				
- Sub-regulation 2AA(2)(f) (Legal Aid)	32	35,406	36	37,872
- Sub-regulation 2AA(2)(g) (Holder of Pension or Health Card or Prison Inmate)	385	438,344	732	771,905
- Sub-regulation 2AA(2)(h) (Waive on basis of level of income)	392	448,149	372	397,259
Total	<u>3,446</u>	<u>2,492,348</u>	<u>3,887</u>	<u>2,649,557</u>

No Act of Grace Payments were made during the reporting period.

No payments were made under the defective administration scheme.

Note 16: Financial InstrumentsNote 16A: Terms, Conditions and Accounting policies

Financial Instrument	Note Numbers	Accounting Policies and Methods (including recognition criteria and measurement basis)	Nature of underlying instrument (including significant terms & conditions affecting the amount, timing and certainty of cash flows)
FINANCIAL ASSETS		Financial assets are recognised when control over future economic benefits is established and the amount of the benefit can be reliably measured.	
Cash	5A	Cash is recognised at its nominal amounts. Interest on cash at bank is credited to revenue as it accrues.	Monies in the Court's bank accounts are swept into the Official Public Account nightly and interest is earned on the daily balance at rates based on money market call rates. The interest rate was 2% for the year (2002: 2%). In addition, rates averaging 3.52% (for the year) (2002:3.56%) have been earned on prepaid accommodation expenses.
Receivables for goods and services	5B	These receivables are recognised at the nominal amounts due less any provision for bad and doubtful debts. Collectability of debts is reviewed at balance date. Provisions are made when collection of the debt is judged to be less rather than more likely.	Receivables are with entities that are both internal and external to the Commonwealth. Credit terms are net 30 days
Interest receivable	5B	Interest is accrued as it is earned	
Appropriations receivable	5B	These receivables are recognized at their nominal amounts	Amounts appropriated by the Parliament in the current or previous years which are available to be drawdown by the Court. Also includes amounts to be appropriated by the Parliament in a future year for services provided

			in previous years under a purchasing, workload or similar agreement.
Investments	5C	Investments are recognised at their nominal amount. Interest is accrued as it is earned.	The Court invests funds with the Reserve Bank of Australia at call. Interest rates have averaged 4.74% for the year (2002: 4.44%)
FINANCIAL LIABILITIES		Financial liabilities are recognised when a present obligation to another party is entered into and the amount of the liability can be reliably measured.	
Lease incentives	7A	The lease incentive is recognised as a liability on receipt of the incentive. The amount of the liability is reduced on a straight-line over the life of the lease by allocating lease payments between rental expense and reduction of the liability.	The Court has received fitout incentives on entering a property operating lease in September 1995.
Trade creditors	9A	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 or services have been received (and irrespective of having been invoiced).	Creditors are entities that are both internal and external to the Commonwealth. Settlement is usually made net 30 days.

Note 16B: Interest Rates Risk

Financial Instrument	Note Numbers	Floating Interest Rate		Fixed Interest Rate Maturing in		Non-Interest Bearing		Total		Weighted Average Effective Interest Rate	
		2003 \$'000	2002 \$'000	1 year or less		2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000	2003 %	2002 %
Financial Assets											
Cash at bank	5A	1,919	4,717	-	-	8	9	1,927	4,726	2.00	2.00
Receivables for goods and services (gross)	5B	-	-	-	-	11,547	405	11,547	405	n/a	n/a
Term deposits	5C	-	-	-	3,500	-	-	-	3,500		4.44
Total		1,919	4,717	-	3,500	11,554	414	13,474	8,631		
Total Assets								42,731	38,749		
Financial Liabilities											
Lease Incentives	7A	-	-	-	-	546	750	546	750		n/a
Suppliers Payable	9A	-	-	-	-	349	430	349	430		n/a
Total						895	1,180	895	1,180		
Total liabilities								15,121	13,868		

Note 16C: Net Fair Values of Financial Assets and Liabilities*Financial assets*

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

Financial liabilities

The net fair values for lease incentives and trade creditors are approximated by their carrying amounts.

Note 16D: Credit Risk Exposures

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

The Court has no significant exposures to any concentrations of credit risk. All figures for credit risk referred to do not take into account the value of any collateral or other security.

Note 17: Revenues Administered on Behalf of Government		
	2003	2002
	\$'000	\$'000
Other Revenue		
Fees	4,414	4,450
Fines	38	61
Other	187	156
Total Revenues Administered on Behalf of Government	4,639	4,667

Note 18: Expenses Administered on Behalf of Government		
Other		
Refund of fees and fines	68	82
Fees and fines - provision for doubtful debts	44	-
Total Expenses Administered on Behalf of Government	112	82

Note 19: Assets Administered on Behalf of Government		
Financial Assets		
Cash	29	28
Receivables		
Fees	128	387
Less: provision for doubtful debts	(47)	(100)
Total Receivables (net)	81	287
Total	110	315
Receivables (gross) are aged as follows:		
Overdue by:		
- Less than 30 days	53	116
- 30 to 60 days	21	37
- 60 to 90 days	11	71
- More than 90 days	43	163
Total Receivables (gross)	128	387
Total Assets Administered on Behalf of Government	110	315

Note 20: Administered Reconciliation Table		
Administered assets less administered liabilities as at 1 July	315	290
Plus Administered revenues	4,639	4,667
Less Administered expenses	(112)	(82)
Administered transfers to/from Government		
Appropriation transfers from OPA	65	75
Transfers to OPA	(4,798)	(4,635)
Administered assets less administered liabilities as at 30 June	109	315

Note 21: Administered Financial Instrumentsa) Terms, Conditions and Accounting Policies

Financial Instrument	Note Numbers	Accounting Policies and Methods (including recognition criteria and measurement basis)	Nature of underlying instrument (including significant terms & conditions affecting the amount, timing and certainty of cash flows)
FINANCIAL ASSETS			
Cash	19	Deposits are recognised at their nominal amounts.	The balance of the administered cash account is non interest bearing.
Fees Receivable	19	Fees accrue and are recognised at the time services are performed.	Receivables are with entities that are both internal and external to the Commonwealth. The payments of fees are set out in the Federal Court rules.

b) Administered Interest Rate Risk

Financial Instrument	Notes	Non-Interest Bearing		Total		Weighted Average Effective Interest Rates	
		2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000	2003 %	2002 %
Financial Assets							
Cash	19	29	28	29	28	n/a	n/a
Fees receivable	19	81	287	81	287	n/a	n/a
Total financial assets (recognised)		110	315	110	315		
Total assets				110	315		

c) Net Fair Values of Administered Financial Assets and Liabilities*Financial assets*

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

Note 22: Appropriations**Note 22A: Cash Basis Acquittal of Appropriations from Acts 1 and 3**

Particulars	Departmental Outputs	Total
Year ended 30 June 2003		
	\$	\$
Balance carried forward from previous year	4,463,920	4,463,920
Appropriation for reporting period (Act 1)	65,440,000	65,440,000
Appropriation for reporting period (Act 3)	495,000	495,000
Adjustments by Finance Minister		
Amounts from Advance to the Finance Minister		
Refunds credited (FMA s 30)		
GST credits (FMA s 30A)	2,414,009	2,414,009
Annotations to 'net appropriations' (FMA s31)	1,741,831	1,741,831
Transfer to/from other agencies (FMA s 32)	127,000	127,000
Administered appropriation lapsed		
Available for payments	74,681,760	74,681,760

Payments made	(65,404,000)	(65,404,000)
Appropriations credited to Special Accounts	-	-
Balance carried to next year	9,277,760	9,277,760
Represented by:		
Cash	1,979,763	1,979,763
Add: Appropriations receivable	7,297,997	7,297,997
Total	9,277,760	9,277,760

Particulars	Departmental Outputs	Total
Year ended 30 June 2002	\$	\$
Balance carried forward from previous year	2,798,753	2,798,753
Total annual appropriation	70,379,585	70,379,585
Available for payments	73,178,338	73,178,338
Payments made	68,714,418	68,714,418
Appropriations credited to Special Accounts		
Balance carried to next year	4,463,920	4,463,920
Represented by:		
Cash	4,463,920	4,463,920
Add: Appropriations receivable	-	-
Total	4,463,920	4,463,920

Note 22B: Special Accounts

	2003 \$	2002 \$
Other Trust Moneys Account		
<i>Legal Authority: Financial Management and Accountability Act, 1997, s 20</i>		
<i>Purpose: For expenditure of moneys temporarily held on trust or otherwise for the benefit of a person other than the Commonwealth</i>		
Balance carried from previous year	118,388	109,801
Receipts during the period	174,926	315,223
Available for payments	293,314	425,024
Payments made during the period	(192,532)	(306,636)
Balance carried forward to next period	100,782	118,388
Services for other Governments & Non-agency bodies		
<i>Legal authority: Financial Management and Accountability Act, 1997, s 20</i>		
<i>Purpose: For expenditure in connection with services performed on behalf of other Governments and bodies that are not FMA agencies</i>		
Balance carried from previous year	38,189	51,449
Receipts during the period	561,093	277,532
Available for payments	599,282	328,981
Payments made during the period	(588,884)	(290,792)
Balance carried forward to next period	10,398	38,189

Note 23: Assets Held in Trust**Comcare Trust Account**

Purpose: Moneys held in trust and advanced to the Court by Comcare for the purpose of distributing compensation payments made in accordance with the *Safety Rehabilitation and Compensation Act 1998*.

	2003	2002
	\$	\$
Balance carried forward from previous period	35,736	22,381
Receipts during the period	<u>47,635</u>	<u>129,757</u>
Available for payments	<u>83,371</u>	<u>152,138</u>
Payments made during the period	<u>(80,854)</u>	<u>(116,402)</u>
Balance carried forward to next period	<u><u>2,517</u></u>	<u><u>35,736</u></u>

Note 24: Special Public Money**Note 24A: Federal Court of Australia Litigants' Fund**

Legal Authority - Order 63 rule 2 Federal Court Rules

Purpose: 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.

	2003	2002
	\$	\$
Balance carried forward from previous period	1,008,184	1,406,126
Receipts during the period	<u>3,389,426</u>	<u>2,580,319</u>
Available for payments	<u>4,397,610</u>	<u>3,986,445</u>
Payments made during the period	<u>(3,155,575)</u>	<u>(2,978,261)</u>
Balance carried forward to next period	<u><u>1,242,035</u></u>	<u><u>1,008,184</u></u>

Note 24B: Other Investments

Legal authority - Order 63 rule 4 of the Federal Court Rules

Purpose: 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.

	2003	2002
	\$	\$
Balance carried forward from previous period	13,675,805	1,582,645
Receipts during the period	<u>10,950,640</u>	<u>15,547,749</u>
Available for payments	<u>24,626,445</u>	<u>17,130,394</u>
Payments made during period	<u>(6,363,221)</u>	<u>(3,454,589)</u>
Balance carried forward to next period	<u><u>18,263,224</u></u>	<u><u>13,675,805</u></u>

The balance of investments at year end consisted of cash management and fixed term bank accounts to which various interest rates apply.

Note 25: Reporting of Outcomes**Note 25A: Net Cost of Outcome Delivery**

The Court's output structure was revised in 2002/03 one Output measure: Federal Court Business.

	Outcome 1	
	2003	2002
	\$'000	\$'000
Administered expenses	112	82
Departmental expenses	73,983	75,619
Total expenses	74,095	75,701
<i>Costs recovered from provision of goods and services to the non-government sector</i>		
Administered	-	-
Departmental	-	-
Total costs recovered	0	0
Other external revenues		
Administered	4,639	4,667
Total Administered	4,639	4,667
Departmental		
Interest on cash deposits	450	490
Revenue from sale of assets	154	68
Other	359	346
Goods and services revenue from Related Entities	1,195	1,325
Total Departmental	2,158	2,229
Total other external revenues	6,797	6,986
Net cost/(contribution) of outcome	67,298	68,805

Note 25B: Major Classes of Departmental Revenues and Expenses by Outcomes

Outcome 1	Outcome 1 Total	
	2003	2002
	\$'000	\$'000
Departmental Expenses		
Judges and employees	40,672	38,452
Suppliers	30,629	32,689
Depreciation and amortisation	2,184	2,168
Other expenses	498	2,310
Total departmental expenses	73,983	75,687
Funded by:		
Revenues from government	77,412	75,705
Sale of goods and services	1,195	1,393
Other non taxation revenues	963	836
Total departmental revenues	79,570	77,934

