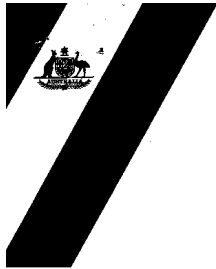


APPENDIX 1

FINANCIAL STATEMENTS 1999-2000



INDEPENDENT AUDIT REPORT

To the Attorney-General

Scope

I have audited the financial statements of the Federal Court of Australia for the year ended 30 June 2000. The financial statements comprise:

- Statement by the Registrar
- Operating Statement, Balance Sheet, Statement of Cashflows, Schedule of Commitments and Schedule of Contingencies
- Statements of Administered Revenues and Expenses, Assets and Liabilities, and Cashflows, and Schedules of Administered Commitments and Contingencies
- Notes to and forming part of the Financial Statements.

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

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

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

Audit Opinion

In my opinion,

- (i) the financial statements have been prepared in accordance with Schedule 2 of the Finance Minister's Orders
- (ii) the financial statements give a true and fair view, in accordance with applicable Accounting Standards, other mandatory professional reporting requirements and Schedule 2 of the Finance Minister's Orders, of the financial position of the Federal Court of Australia as at 30 June 2000 and the results of its operations and its cash flows for the year then ended.

Australian National Audit Office



Paul Hinchey
Senior Director

Delegate of the Auditor-General
Sydney
11 September 2000

FEDERAL COURT OF AUSTRALIA
Statement by the Registrar

FEDERAL COURT OF AUSTRALIA
Statement by the Registrar

In my opinion, the attached financial statements give a true and fair view of the matters required by Schedule 2 to the Finance Minister's Orders made under section 63 of the *Financial Management and Accountability Act 1997*.



Signed.....

Warwick Soden
Registrar

// September 2000.

FEDERAL COURT OF AUSTRALIA
OPERATING STATEMENT
for the year ended 30 June 2000

	Notes	1999-00 \$'000	1998-99 \$'000
Operating revenues			
Revenues from government	4.1	70,057	54,850
Sales of goods and services	4.2	245	144
Interest	4.3	993	-
Total operating revenues		71,295	54,994
Operating expenses			
Judges and employees	5.1	33,675	33,115
Suppliers	5.2	30,018	21,921
Depreciation and amortisation	5.3	2,010	1,877
Net losses from sales and disposals of assets	5.4	65	1,332
Write down of assets	5.5	-	1,961
Total operating expenses		65,768	60,206
Operating surplus/(deficit)		5,527	(5,212)
Net surplus/(deficit) attributable to the Commonwealth		5,527	(5,212)
Accumulated surpluses at the beginning of the reporting period		13,096	18,308
Total available for appropriation		18,623	13,096
Capital use provided for or paid		(2,581)	-
Correction in accounting treatment	6.1	4,208	-
Accumulated surpluses at the end of the reporting period	12.1	20,250	13,096

STATEMENT OF ADMINISTERED REVENUES AND EXPENSES			
<i>for the year ended 30 June 2000</i>			
	Notes	1999-00 \$'000	1998-99 \$'000
Operating revenues			
Non-taxation			
Other sources of non-taxation revenues	7.1	7,451	8,931
Total non-taxation		7,451	8,931
Total operating revenues		7,451	8,931
Operating expenses			
Net write-down of assets	5.6	209	143
Refund of court fees and fines		166	153
Total operating expenses		375	296
Net contribution to the Budget Outcome		7,076	8,635
Transfer to Official Commonwealth Public Account		(7,024)	(8,603)
Net surplus/(deficit)		52	32
Accumulated results at the beginning of the reporting period		291	259
Accumulated results at the end of the reporting period	12.2	343	291

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

FEDERAL COURT OF AUSTRALIA
BALANCE SHEET
as at 30 June 2000

	Notes	1999-00 \$'000	1998-99 \$'000
ASSETS			
Financial assets			
Cash	8.1	9,018	44
Receivables	8.3	276	4,827
<i>Total financial assets</i>		<u>9,294</u>	<u>4,871</u>
Non-financial assets			
Land and buildings	9.1	3,931	3,457
Infrastructure, plant and equipment	9.2	9,614	9,909
Intangibles	9.3	2,486	406
Other	9.5	13,082	11,019
<i>Total non-financial assets</i>		<u>29,113</u>	<u>24,791</u>
Total assets		<u>38,407</u>	<u>29,662</u>
LIABILITIES			
Debt			
Other	10.1	1,158	1,362
<i>Total debt</i>		<u>1,158</u>	<u>1,362</u>
Provisions and payables			
Capital use	11.1	350	-
Judges and employees	11.2	11,256	9,821
Suppliers	11.3	489	479
<i>Total provisions and payables</i>		<u>12,095</u>	<u>10,300</u>
Total liabilities		<u>13,253</u>	<u>11,662</u>
EQUITY			
Capital	12.1	4,585	4,585
Reserves	12.1	319	319
Accumulated surpluses	12.1	20,250	13,096
Total equity		<u>25,154</u>	<u>18,000</u>
Total liabilities and equity		<u>38,407</u>	<u>29,662</u>
Current liabilities		4,181	3,311
Non-current liabilities		9,072	8,351
Current assets		18,144	11,723
Non-current assets		20,263	17,939

STATEMENT OF ADMINISTERED ASSETS AND LIABILITIES			
<i>as at 30 June 2000</i>			
	Notes	1999-00 \$'000	1998-99 \$'000
ASSETS			
Financial Assets			
Cash	8.2	43	31
Receivables	8.4	300	260
<i>Total financial assets</i>		<u>343</u>	<u>291</u>
Total assets		<u>343</u>	<u>291</u>
EQUITY			
Accumulated results	12.2	343	291
Total equity		<u>343</u>	<u>291</u>
Current liabilities		-	-
Non-current liabilities		-	-
Current assets		343	291
Non-current assets		-	-

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

FEDERAL COURT OF AUSTRALIA
STATEMENT OF CASH FLOWS
for the year ended 30 June 2000

	Notes	1999-00 \$'000	1998-99 \$'000
OPERATING ACTIVITIES			
Cash received			
Appropriations for outputs		63,452	53,623
Sales of goods and services		1,013	579
Interest		348	-
Other		3,585	-
Total cash received		68,398	54,202
Cash used			
Judges and employees		(28,318)	(27,163)
Suppliers		(24,741)	(22,625)
Total cash used		(53,059)	(49,788)
Net cash from operating activities	13.1	15,339	4,414
INVESTING ACTIVITIES			
Cash received			
Proceeds from sales of property, plant and equipment		3	68
Total cash received		3	68
Cash used			
Purchase of property, plant and equipment		(4,137)	(4,459)
Total cash used		(4,137)	(4,459)
Net cash from investing activities		(4,134)	(4,391)
FINANCING ACTIVITIES			
Cash used			
Capital use paid		(2,231)	-
Total cash used		(2,231)	-
Net cash used by financing activities		(2,231)	-
Net increase in cash held		8,974	23
Cash at the beginning of the reporting period		44	21
Cash at the end of the reporting period	8.1	9,018	44

STATEMENT OF ADMINISTERED CASH FLOWS			
<i>for the year ended 30 June 2000</i>			
	Notes	1999-00 \$'000	1998-99 \$'000
OPERATING ACTIVITIES			
Cash received			
Fees and fines		7,037	8,636
Cash from Official Commonwealth Public Account		180	152
Other		158	120
Total cash received		7,375	8,908
Cash used			
Refund of court fees and fines		(159)	(153)
Cash to Official Commonwealth Public Account		(7,204)	(8,755)
Total cash used		(7,363)	(8,908)
Net cash from/(used by) operating activities	13.2	12	-
Net increase/(decrease) in cash held		12	-
Cash at the beginning of the reporting period		31	31
Cash at the end of the reporting period	8.2	43	31

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

FEDERAL COURT OF AUSTRALIA
SCHEDULE OF COMMITMENTS
as at 30 June 2000

	Notes	Federal Court of Australia		Administered	
		1999-00 \$'000	1998-99 \$'000	1999-00 \$'000	1998-99 \$'000
BY TYPE					
CAPITAL COMMITMENTS					
Infrastructure, Plant and Equipment		902	176	-	-
Total capital commitments		902	176	-	-
OTHER COMMITMENTS					
Operating Leases	2.14	124,214	119,614	-	-
Goods and services contracts		1,264	5	-	-
Total other commitments		125,478	119,619	-	-
Total commitments payable		126,380	119,795	-	-
COMMITMENTS RECEIVABLE					
		-	-	-	-
Net commitments		126,380	119,795	-	-
BY MATURITY					
All net commitments					
One year or less		12,439	12,450	-	-
From one to two years		11,734	11,927	-	-
From two to five years		36,528	35,782	-	-
Over five years		65,679	59,636	-	-
Net commitments		126,380	119,795	-	-
Operating Lease Commitments					
One year or less		11,418	12,269	-	-
From one to five years		47,779	47,709	-	-
Over five years		65,017	59,636	-	-
Net commitments		124,214	119,614	-	-

All 1999-00 commitments are Goods and Services Tax inclusive where relevant. The Comparatives have not been adjusted to reflect the Goods and Services Tax.

SCHEDULE OF CONTINGENCIES
as at 30 June 2000

There were no contingent losses or gains as at 30 June 1999 and 30 June 2000.

SCHEDULE OF UNQUANTIFIABLE CONTINGENCIES
as at 30 June 2000

A claim for damages has been lodged in the Supreme Court of Queensland against the Commonwealth. The liability of the Commonwealth, if any, cannot be estimated at this time as it is subject to the outcome of the proceedings.

The above schedules 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 2000

Note	Description
1	Court Objectives
2	Summary of Significant Accounting Policies
3	Events Occurring after Balance Sheet Date
4	Operating Revenues – Federal Court of Australia
5	Operating Expenses
6	Adjustment in respect of Correction in Accounting Treatment
7	Operating Revenues – Administered
8	Financial Assets
9	Non-Financial Assets
10	Debt
11	Provisions and Payables
12	Equity
13	Cash Flow Reconciliation
14	Appropriations
15	Special Accounts
16	Reporting of Outcomes
17	Remuneration of Executives
18	Services Provided by the Auditor-General
19	Waivers and Act of Grace Payments
20	Average Staffing Levels
21	Financial Instruments

FEDERAL COURT OF AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2000

NOTE 1: COURT OBJECTIVES

The role of the Federal Court of Australia is 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. The Objectives of the Court are contained in the objectives section of the Court's Annual Report.

The Court also provides administrative support to the Copyright Tribunal, the Defence Force Discipline Appeal Tribunal, the Federal Police Disciplinary Tribunal and the Australian Competition Tribunal.

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.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 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:

- *Requirements for the Preparation of Financial Statements of Commonwealth Agencies and Authorities* made by the Minister for Finance and Administration in August 1999 (Schedule 2 to the Financial Management and Accountability (FMA) Orders);
- Australian Accounting Standards;
- other authoritative pronouncements of the Australian Accounting Standards Board; and
- the Consensus Views of the Urgent Issues Group.

The statements have been prepared having regard to:

- Statements of Accounting Concepts; and
- The Explanatory Notes to Schedule 2 issued by the Department of Finance and Administration.

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

The continued existence of the 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.

2.2 Changes in Accounting Policy

Changes in accounting policy have been identified in this note under their appropriate headings.

2.3 Federal Court of Australia and Administered Items

Federal Court of Australia assets, liabilities, revenues and expenses are those items that are controlled by the Court. They are used by the Court in producing its outputs, including:

- property, plant and equipment used in providing goods or services;
- liabilities for Judge and employee entitlements;
- revenues from appropriations or independent sources in payment of outputs; and
- judge, employee, supplier and depreciation expenses incurred in producing its outputs.

Administered items are those items which are controlled by the Government and managed or oversighted by the Court on behalf of the Government. These items include fees and fines.

The purpose of the separation of Court and administered items is to enable the assessment of administrative efficiency of the Court in providing goods and services.

The basis of accounting described in Note 2.1 applies to both Court and administered items.

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

2.4 Reporting by Outcomes

A comparison of budget and actual figures by outcome specified in the Appropriation Acts relevant to the Court is presented in Note 16. The net cost to budget outcomes shown includes intra-government costs that are eliminated in calculating the actual budget outcome for the Government overall.

2.5 Revenues from Government

Revenues from Government are revenues relating to the core operating activities of the Court. Details of revenues from Government are given in Note 4.1.

Appropriations

From 1 July 1999, the Commonwealth Budget has been prepared under an accruals framework.

Appropriations for the production of the Court's departmental outputs are recognised as revenue to the extent that the appropriations have been received into the Court's bank account or are entitled to be received by the Court at the end of the reporting period.

Appropriations to the Court for departmental capital items are recognised directly in equity, to the extent that the appropriations have been received into the Court's bank account or are entitled to be received by the Court at the end of the reporting period.

The appropriations for departmental capital items for 1999-2000 include, as carryovers, the reappropriation to the Court of certain unspent amounts from 1998-1999. These amounts were recognised directly in equity in the financial statements for 1998-1999.

This is a change in the policy adopted in prior years when the Court's appropriations, other than running costs, were recognised as revenue to the extent that the appropriations were spent. Amounts appropriated for the Court's running costs were recognised as revenue in the year of appropriation, except to the extent of;

- unspent amounts not automatically carried over into the new financial year, and
- running costs borrowing.

Resources Received Free of Charge

Services received free of charge are recognised in the Operating Statement 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 in the Operating Statement.

The Court has, for the first time, recognised as a resource free of charge, 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. Details of this amount are given in Note 4.1.

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.

In the latter case, the assets are initially recognised at the amounts at which they were recognised by the transferring agency immediately prior to the transfer.

2.6 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.
- Revenue from the rendering of a service is recognised by reference to the stage of completion of contracts or other agreements to provide services to Commonwealth bodies.
- 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.
- Revenue from fees and fines is recognised in the period in which the invoice for fees and fines is raised.

All revenues described in this note 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 4 and 7.

2.7 Cash

Cash includes cash on hand and deposits held at call, with a bank or financial institution, which are readily convertible to cash on hand.

2.8 Financial Instruments

Accounting policies in relation to financial instruments are disclosed in Note 21.

2.9 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.

2.10 Property, plant and equipment

Assets recognition threshold

Purchases of all depreciable non-financial assets 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, unless they form a large group of similar assets, which are significant in total.

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.

Revaluations

Schedule 2 requires that buildings, infrastructure, plant and equipment be revalued progressively in accordance with the 'deprival' method of valuation in successive 3-year cycles.

The Court revalued all of its property, plant and equipment during the 1998-99 financial year in accordance with the requirements of Schedule 2. These valuations were carried out by independent valuers. Assets acquired after the commencement of the revaluation are reported at cost.

The Court recognises property plant and equipment at its depreciated replacement cost.

Any assets, which would not be replaced or are surplus to requirements, are valued at net realisable value. At 30 June 2000, the Court did not have any such assets.

Recoverable Amount Test

Schedule 2 requires the application of the recoverable amount test to non-current assets in accordance with AAS 10 *Accounting for the Revaluation of Non-Current Assets*. The carrying amounts of these non-current assets have been reviewed to determine whether they are in excess of their recoverable amounts. In assessing recoverable amounts, the relevant cash flows have been discounted to their present value.

Depreciation and Amortisation

Depreciable non-current assets are written-off to their estimated residual values over their estimated useful lives. Estimated useful lives are reviewed at each balance date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate. Depreciation is calculated using the straight-line method, which reflects the pattern of usage of the Court's depreciable non-current assets. Residual values are re-estimated for a change in prices only when assets are revalued.

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

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

	1999-00	1998-99
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

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

	1999-00	1998-99
Software	5 years	5years

The aggregate amount of depreciation and amortisation allocated for each class of asset during the reporting period is disclosed in Note 5.3.

2.11 Judges' and Employee Entitlements

Leave

The provision for employee entitlements encompasses 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 liability for annual leave reflects the value of total annual leave entitlements of all employees at 30 June 2000 and is recognised at the nominal amount.

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 2000. In determining the present value of the liability, the Court has taken into account attrition rates and pay increases through promotion and inflation.

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 \$4,615,425 (1998-99 \$4,729,070). The amount has been calculated by multiplying a contribution rate of 51.7% (1998-99: 56%) 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 \$374,219 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". In prior years, these notional amounts were not recognised as expense or revenue.

Staff Superannuation

Staff of the Court contribute to the Commonwealth Superannuation Scheme and the Public Sector Superannuation Scheme. Employer contributions including the Employer Superannuation Productivity Benefit in relation to these schemes have been expensed in these financial statements. No liability is shown for superannuation in the Balance Sheet as the employer contributions fully extinguish the accruing liability which is assumed by the Commonwealth.

Provision is also made for employer contributions, including the Employer Superannuation Productivity Benefit, in respect of the relevant portion of accrued leave which is expected to be taken in the future. In prior years, the

liabilities as a result of this correction in accounting treatment were not recognised; however, an amount in relation to prior years has been recognised in the Operating Statement as an adjustment to "Accumulated surpluses".

2.12 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 charged to the Operating Statement 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.

2.13 Capital Usage Charge

A capital usage charge of 12% is imposed by the Commonwealth on the net departmental assets of the Court. The charge is adjusted to take account of asset gifts and revaluation increments during the reporting period.

2.14 Commitments

Commitments at 30 June 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.

Commitments for future property operating payments that are not recognised as liabilities in the Balance Sheet have been disclosed in the Schedule of Commitments. 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.

2.15 Resources provided free of charge

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 1999-00 was \$256,451 (1998-99: \$2,839,404).

2.16 Taxation

The Court is exempt from all forms of taxation except fringe benefits tax and the goods and services tax. However, from 1 July 2000, the Court's fees are not subject to goods and services tax.

2.17 Insurance

The Commonwealth's insurable risk managed fund, called 'Comcover', commenced operations from 1 July 1998. The Court has insured with the fund for risks other than workers compensation, which is dealt with via continuing arrangements with Comcare. It should be noted that, workers compensation in respect of the Chief Justice and other Justices of the Court is not covered by this arrangement.

2.18 Comparative Figures

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

Comparatives are not presented in Notes dealing with the Reporting of Outcomes, due to 1999-2000 being the first year of the implementation of accrual budgeting.

2.19 Rounding

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

- transactions of the Special Accounts;
- act of grace payments and waivers;
- remuneration of executives; and
- remuneration of auditors.

NOTE 3: EVENTS OCCURRING AFTER BALANCE SHEET DATE

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

NOTE 4: OPERATING REVENUES - FEDERAL COURT OF AUSTRALIA

4.1: Revenues from Government

	1999-00	1998-99
	\$'000	\$'000
Appropriation for outputs	58,867	49,356
Reimbursement of ACT Supreme Court Judges' remuneration	622	599
Resources received free of charge	5,579	166
Liabilities assumed by other agencies	4,989	4,729
Total	<u>70,057</u>	<u>54,850</u>

Resources received free of charge includes an amount of \$5,407,000 in respect of the 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.

4.2: Sales of Goods and Services

	1999-00	1998-99
	\$'000	\$'000
Goods	125	39
Services	100	95
Resources received free of charge	20	10
Total	<u>245</u>	<u>144</u>

4.3: Interest

	1999-00	1998-99
	\$'000	\$'000
Interest from deposits	993	-
Total	<u>993</u>	<u>-</u>

NOTE 5: OPERATING EXPENSES**5.1: Judges' and Employee Expenses**

	1999-00	1998-99
	\$'000	\$'000
Remuneration (for services provided)	26,566	26,497
Superannuation	6,801	6,346
Separation and redundancy payments	165	201
Total remuneration	33,532	33,044
Other employee expenses	143	71
Total	33,675	33,115

5.2: Suppliers Expenses

	1999-00	1998-99
	\$'000	\$'000
Supply of goods and services	17,025	11,770
Operating lease rentals	12,993	10,151
Total	30,018	21,921

5.3: Depreciation and Amortisation

	1999-00	1998-99
	\$'000	\$'000
Leasehold improvements	507	576
Plant and equipment	1,404	1,277
Computer Software	99	24
Total	2,010	1,877

5.4: Net Losses from Sales and Disposals of Assets

	1999-00	1998-99
	\$'000	\$'000
Non-financial assets:		
Leasehold improvements	4	1,074
Plant and equipment	61	258
Total	65	1,332

5.5: Write Down of Assets – Federal Court of Australia

	1999-00	1998-99
	\$'000	\$'000
Non-financial assets:		
Library Holdings	-	1,961
Total revaluation decrement	-	1,961

5.6: Write Down of Assets – Administered

	1999-00	1998-99
	\$'000	\$'000
Financial assets:		
Bad and doubtful debts expense	209	143
Total	209	143

NOTE 6: ADJUSTMENT IN RESPECT OF CORRECTION IN ACCOUNTING TREATMENT**6.1: Prior Period Adjustment**

	1999-00	1998-99
	\$'000	\$'000
Superannuation – (refer note 2.11)	(435)	-
Year 2000 Seed funding allocation from the Office of Government	3,585	-
Information Technology previously held in trust		
Prepayment not previously recognised	853	-
Other	205	-
Total	4,208	-

NOTE 7: OPERATING REVENUES – ADMINISTERED**7.1: Other sources of non-taxation revenues**

	1999-00	1998-99
	\$'000	\$'000
Fees	7,233	8,809
Fines	60	1
Other	158	121
Total	<u>7,451</u>	<u>8,931</u>

NOTE 8: FINANCIAL ASSETS**8.1: Cash – Federal Court of Australia**

	1999-00	1998-99
	\$'000	\$'000
Cash on hand	6	14
Cash at bank	9,012	30
Total Cash	<u>9,018</u>	<u>44</u>

8.2: Cash - Administered

	1999-00	1998-99
	\$'000	\$'000
Cash on hand	27	23
Cash at bank	16	8
Total Cash	<u>43</u>	<u>31</u>

8.3: Receivables - Federal Court of Australia

	1999-00	1998-99
	\$'000	\$'000
Goods and services	276	242
Appropriations	-	4,585
Total	<u>276</u>	<u>4,827</u>

Receivables (gross) which are overdue are aged as follows:

Overdue by:

- Less than 30 days	9	7
- 30 to 60 days	47	-
- 60 to 90 days	7	-
- More than 90 days	-	2

8.4: Receivables - Administered

	1999-00	1998-99
	\$'000	\$'000
Fees	549	443
Less: provision for doubtful debts	(249)	(183)
Total Receivables	<u>300</u>	<u>260</u>

Receivables which are overdue are aged as follows:

Overdue by:

- Less than 30 days	173	116
- 30 to 60 days	49	27
- 60 to 90 days	23	-
- More than 90 days	303	290

NOTE 9: NON-FINANCIAL ASSETS

9.1: Land and Buildings	1999-00	1998-99
	\$'000	\$'000
Leasehold Improvements – at cost	2,266	1,282
Accumulated amortisation	(235)	(55)
	2,031	1,227
Leasehold Improvements – at 1999 valuation	3,267	3,275
Accumulated amortisation	(1,367)	(1,045)
	1,900	2,230
Total Land and Buildings	3,931	3,457
9.2: Plant and Equipment		
Plant and Equipment – at cost	3,246	2,016
Accumulated depreciation	(624)	(101)
	2,622	1,915
Plant and Equipment – at 1999 valuation	9,785	10,184
Accumulated depreciation	(2,793)	(2,190)
	6,992	7,994
Total Plant and Equipment	9,614	9,909
9.3: Intangibles		
Computer Software Purchased – at cost	910	430
Computer Software Purchased - work in progress	1,699	-
Accumulated amortisation	(123)	(24)
	2,486	406
Total Intangibles	2,486	406

All revaluations were completed before 30 June 1999 in accordance with the policy stated in Note 2.10.

9.4: Analysis of Property, Plant, Equipment and Intangibles

Table A: Movement summary 1999-00 for all assets irrespective of valuation basis

Item	Leasehold improvements \$'000	Total land and buildings \$'000	Other infrastructure, plant and equipment \$'000	Total property, plant and equipment \$'000	Intangibles \$'000	Total \$'000
Gross Value:						
As at 1 July 1999:	4,557	4,557	12,200	16,757	430	17,187
Additions/replacements:	353	353	1,605	1,958	2,179	4,137
Revaluations:	-	-	-	-	-	-
Written-off:	(9)	(9)	(166)	(175)	-	(175)
Disposals:	-	-	(230)	(230)	-	(230)
- other:	632	632	(378)	254	-	254
As at 30 June 2000	5,533	5,533	13,031	18,564	2,609	21,173
Accumulated Depreciation or Amortisation:						
As at 1 July 1999	1,100	1,100	2,291	3,391	24	3,415
Depreciation charge for:						
- assets held at 1 July	501	501	1,286	1,787	86	1,873
- additions	6	6	118	124	13	137
Adjustment for:						
- revaluation	-	-	-	-	-	-
- written-off	(5)	(5)	(141)	(146)	-	(146)
- other disposals	-	-	(189)	(189)	-	(189)
- other	-	-	52	52	-	52
As at 30 June 2000	1,602	1,602	3,417	5,019	123	5,142
Net Book Value as at 30 June 2000	3,931	3,931	9,614	13,545	2,486	16,031
Net Book Value as at 1 July 1999	3,457	3,457	9,909	13,366	406	13,772

Table B: Summary of balances of assets at valuation as at 30 June 2000

Item	Leasehold improvements \$'000	Total land and buildings \$000	Other infrastructure, plant and equipment \$'000	Total \$'000
As at 30 June 2000				
Gross value	3,267	3,267	9,785	13,052
Accumulated Depreciation	(1,367)	(1,367)	(2,793)	(4,160)
Net book value	1,900	1,900	6,992	8,892
As at 30 June 1999				
Gross value	3,275	3,275	10,184	13,459
Accumulated depreciation	(1,045)	(1,045)	(2,190)	(3,235)
Net book value	2,230	2,230	7,994	10,224

9.5: Other

Prepayments:	1999-00	1998-99
	\$'000	\$'000
Library Expenses	228	198
Accommodation Expenses	12,649	10,728
Other	205	93
Total Prepayments	<u>13,082</u>	<u>11,019</u>

NOTE 10: DEBT

10.1 Other	1999-00	1998-99
	\$'000	\$'000
Lease Incentives:	1,158	1,362
Total	<u>1,158</u>	<u>1,362</u>

NOTE 11: PROVISIONS AND PAYABLES

11.1: Capital Use	1999-00	1998-99
	\$'000	\$'000
Capital use charge	350	-
	<u>350</u>	<u>-</u>

11.2: Judges and Employees	1999-00	1998-99
	\$'000	\$'000
Salaries	385	449
Leave	10,175	9,151
Superannuation	518	33
Fringe Benefits Tax	178	188
Aggregate Judge and employee entitlement liability	<u>11,256</u>	<u>9,821</u>

11.3: Suppliers	1999-00	1998-99
	\$'000	\$'000
Trade Creditors	485	464
Operating lease rentals	4	15
Total	<u>489</u>	<u>479</u>

NOTE 12: EQUITY

12.1 Equity - Federal Court of Australia

Item	Capital		Accumulated results		Asset revaluation reserve		Total equity	
	1999-00 \$'000	1998-99 \$'000	1999-00 \$'000	1998-99 \$'000	1999-00 \$'000	1998-99 \$'000	1999-00 \$'000	1998-99 \$'000
Balance 1 July	4,585	-	13,096	18,308	319	-	18,000	18,308
Operating result	-	-	5,527	(5,212)	-	-	5,527	(5,212)
Net revaluation increases	-	-	-	-	-	319	-	319
Capital Use Charge	-	-	(2,581)	-	-	-	(2,581)	-
Correction in accounting treatment	-	-	4,208	-	-	-	4,208	-
Capital injection	-	4,585	-	-	-	-	-	4,585
Balance 30 June	4,585	4,585	20,250	13,096	319	319	25,154	18,000

12.2 Equity - Administered	Accumulated Results	Total Equity
	\$'000	\$'000
Balance 1 July 1999	291	291
Contribution to budget outcome	7,076	7,076
Amount to Commonwealth Official Public Account	(7,024)	(7,024)
Balance 30 June 2000	<u>343</u>	<u>343</u>

NOTE 13: CASH FLOW RECONCILIATION

13.1 Cash flow reconciliation – Federal Court of Australia

Reconciliation of operating surplus/(deficit) to net cash from operating activities.

	1999-00	1998-99
	\$'000	\$'000
Operating surplus (deficit)	5,527	(5,212)
Depreciation/amortisation expense	2,010	1,877
Losses on disposal of non-current assets	65	1,332
Write down of assets	-	1,961
Decrease (increase) in receivables	4,551	(440)
Decrease (increase) in prepayments	(2,063)	(695)
Other changes in non-current assets	(202)	12
Increase (decrease) in liability to suppliers	10	196
Increase in provisions for judge and employee entitlements	1,436	1,001
Increase (decrease) in other liabilities	(203)	(203)
Initial recognition of assets	4,643	-
Initial recognition of liabilities	(435)	-
Capital injection	-	4,585
NET CASH FROM (PROVIDED BY) OPERATING ACTIVITIES	15,339	4,414

13.2 Cash flow reconciliation - Administered

Reconciliation of net contribution to the budget outcome to net cash from operating activities.

	1999-00	1998-99
	\$'000	\$'000
NET CONTRIBUTION TO THE BUDGET OUTCOME	7,076	8,635
Transfer to Commonwealth Official Public Account	(7,024)	(8,603)
Net surplus/(deficit)	52	32
Changes in assets and liabilities		
Decrease (increase) in receivables	(40)	(32)
NET CASH FROM (PROVIDED BY) OPERATING ACTIVITIES	12	-

NOTE 14: APPROPRIATIONS

14.1 Annual appropriations for Departmental items (price of outputs)

	1999-00
	\$
Balance available at 1 July	-
Add: Appropriation Act No 1& 3 credits:	
Section 6 - Act 1 - basic appropriations (budget)	58,382,000
Section 6 - Act 3 - basic appropriations	485,000
Add: FMA Act	
Section 31 appropriations	1,325,700
Total appropriations available for the year	60,192,700
Expenditure during the year	55,290,280
Balance of appropriations for outputs at 30 June	4,902,420

14.2 Annual appropriations for Departmental non-revenue items - Carryovers

	1999-00
	\$
Balance available at 1 July	-
Add: Appropriation Act No 2 & 4:	4,585,000
Expenditure during the year	4,136,526
Balance of appropriations for capital at 30 June	448,474

NOTE 15: SPECIAL ACCOUNTS

15.1: Other Trust Moneys

Legal Authority – *Financial Management and Accountability Act, 1997: section 20*

Purpose – to account for funds held by the Commonwealth while acting as trustee for private moneys in Its possession.

	1999-00
	\$
Balance as at 1 July 1999	3,900,368
Add: Receipts from other sources	390,113
Less: Expenditure for 1999-00	<u>(3,895,492)</u>
Balance as at 30 June 2000	<u><u>394,989</u></u>
Represented by:	
Cash	394,989
Investments	-
Total	<u><u>394,989</u></u>

15.2 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.

	1999-00
	\$
Balance as at 1 July 1999	1,310,374
Add: Receipts from other sources	6,328,849
Less: Expenditure for 1999-00	<u>(5,813,725)</u>
Balance as at 30 June 2000	<u><u>1,825,498</u></u>
Represented by:	
Cash	1,825,498
Investments	-
Total	<u><u>1,825,498</u></u>

15.3 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.

	1999-00
	\$
Invested Balance at 1 July 1999	31,264,192
Purchase of Investments	33,680,493
Realisation of Investments	<u>(9,032,469)</u>
Balance at 30 June 2000	<u><u>55,912,216</u></u>

Investments - The balance of investments as at 30 June 2000 consisted of cash management and fixed term bank accounts to which various interest rates apply. Money is paid out pursuant to orders of the Court. A summary of these accounts is set out below:

	Face Value Investment	Cost of Investment	Rate of Interest	Date of Maturity
	\$	\$	%	
Cash Management Accounts	1,703,569	1,710,074	Various	Various
Fixed Deposits	54,208,647	50,753,576	Various	Various
Balance at 30 June 2000	<u><u>55,912,216</u></u>	<u><u>52,463,650</u></u>		

NOTE 16: REPORTING OF OUTCOMES

16.1 Reporting by Outcomes for 1999-2000

	Outcome 1		Total	
	Budget	Actual	Budget	Actual
	\$'000	\$'000	\$'000	\$'000
Net cost of entity outputs	56,707	53,340	56,707	53,340
Net Cost to Budget Outcome	56,707	53,340	56,707	53,340
Total assets deployed as at 30/06/00	30,030	38,407	30,030	38,407
Net assets deployed as at 30/06/00	18,000	25,154	18,000	25,154

NOTE 16: REPORTING OF OUTCOMES (CONTINUED)

16.2 Reporting by Outcomes by Funding Source for 1999-2000

Outcomes	Administered Expenses				Departmental Outputs				Total Appropriations	Total Expenses	
	\$'000				\$'000				\$'000	\$'000	
	Expenses Against Special Appropriations	Expenses against Annual Appropriations (see 1 below)		Total Administered Expenses (A)	Expenses against Revenue from Government (Appropriations) (see 1 below) (B)			Expense against Revenue from other sources (C)	Total Expenses against Outputs	(D) = (A) + (B)	
	Appropriation Act 1 & 3	Appropriation Act 2 & 4 (SPP's & New Outcomes)			Special Appropriations	Annual Appropriation Acts	Total				
Outcome 1											
▪ Actual	-	-	-	-	-	54,452	54,452	11,316	65,768	54,452	65,768
								Appropriation Act 2 & 4 Departmental Capital			
								▪ Actual	4,137		
								Total Appropriations			
								▪ Actual	58,589		

NOTE 17: REMUNERATION OF EXECUTIVES

The number of executive officers of the Court who received, or were due to receive, in relation to the financial year, directly or indirectly from the Court or any related body, whether as executive officer or otherwise, total remuneration that exceeded \$100,000 is as follows:

Total Remuneration	1999-00 Number	1998-99 Number
\$100,001 to \$110,000	1	-
\$120,001 to \$130,000	-	3
\$130,001 to \$140,000	-	6
\$140,001 to \$150,000	4	-
\$160,001 to \$170,000	2	-
\$180,001 to \$190,000	1	1
\$220,001 to \$230,000	2	-
	<u>10</u>	<u>10</u>
The aggregate amount of total remuneration of executive officers shown above	\$1,642,419	\$1,365,246
The aggregate amount of separation and redundancy payments during the year to executive officers shown above	\$144,281	Nil

NOTE 18: SERVICES PROVIDED BY THE AUDITOR-GENERAL

	1999-00 \$	1998-99 \$
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:	<u>60,000</u>	<u>62,000</u>

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 19: WAIVERS AND ACT OF GRACE PAYMENTS

19.1 Waivers

No payments were waived during the financial year 1999-00 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.

	1999-00		1998-99	
	Number	Amount \$	Number	Amount \$
Sub-rule 183(3) Bankruptcy Rules	-	-	-	-
Sub-regulation 2(4) Federal Court Regulations				
- Sub-regulation 2(4)(a) (Legal Aid)	121	45,914	265	81,751
- Sub-regulation 2(4)(b) (Holder of Pension or Health Card or Prison Inmate)	646	283,049	557	287,120
- Sub-regulation 2(4)(c) (Waive on basis of level of income)	683	295,861	567	296,664
Sub-regulation 2A(2) Federal Court Regulations				
- Sub-regulation 2A(2)(e) (Legal Aid)	105	42,824	135	39,203
- Sub-regulation 2A(2)(f) (Holder of Pension or Health Card or Prison Inmate)	168	51,914	198	56,969
- Sub-regulation 2A(2)(g) (Waive on basis of level of income)	199	88,780	182	75,991
Sub-regulation 2AA(2) Federal Court Regulations				
- Sub-regulation 2AA(2)(f) (Legal Aid)	68	67,483	86	86,723
- Sub-regulation 2AA(2)(g) (Holder of Pension or Health Card or Prison Inmate)	351	356,710	289	292,915
- Sub-regulation 2AA(2)(h) (Waive on basis of level of income)	576	586,714	452	460,224
Total	<u>2,917</u>	<u>1,819,249</u>	<u>2,731</u>	<u>1,677,560</u>

19.2 Act of Grace Payments

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

NOTE 20: AVERAGE STAFFING LEVELS

Average staffing levels for the Court in 1999-00 were 314.3 (308 for 1998-99)

NOTE 21: FINANCIAL INSTRUMENTS

21.1 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)
<i>Financial Assets</i>		Financial assets are recognised when control over future economic benefits is established and the amount of the benefit can be reliably measured.	
Cash	8.1 & 8.2	Deposits are recognised at their nominal amounts. Interest is credited to revenue as it accrues.	From 1 July 2000 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. Rates have averaged 4.67% for the year (1998-99: nil). In addition, rates averaging 8.7% (for the year) have been earned on prepaid accommodation expenses.
Receivables for goods and services	8.3	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 entities that are both internal and external to the Commonwealth.
Fees receivable	8.4	Fees accrue and are recognised at the time services are performed.	As for receivables for goods and services. The payments of fees are set out in the Federal Court rules.
<i>Financial liabilities</i>		Financial liabilities are recognised when a present obligation to another party is entered into and the amount of the liability can be reliably measured.	
Lease incentives	10.1	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	11.3	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 21: FINANCIAL INSTRUMENTS (Continued)

21.2 Interest Rate Risk: Federal Court of Australia

Financial Instrument	Note Numbers	Floating Interest Rate		Fixed Interest Rate								Non-Interest Bearing		Total		Weighted Average Effective Interest Rate	
				1 year or less		1 to 2 years		2 to 5 years		> 5 years							
		99-00 \$'000	98-99 \$'000	99-00 \$'000	98-99 \$'000	99-00 \$'000	98-99 \$'000	99-00 \$'000	98-99 \$'000	99-00 \$'000	98-99 \$'000	99-00 \$'000	98-99 \$'000	99-00 \$'000	98-99 \$'000	99-00 %	98-99 %
Financial Assets																	
Cash	8.1	4,012	-	5,000	-	-	-	-	-	-	-	6	44	9,018	44	4.67	n/a
Receivables for goods and services	8.3	-	-	-	-	-	-	-	-	-	-	276	4,827	276	4,827	n/a	n/a
Total Financial Assets (recognised)		4,012	-	5,000	-	-	-	-	-	-	-	282	4,871	9,294	4,871		
Total assets														38,407	29,662		
Financial Liabilities																	
Lease incentives	10.1	-	-	-	-	-	-	-	-	-	-	1,158	1,362	1,158	1,362	n/a	n/a
Trade creditors	11.3	-	-	-	-	-	-	-	-	-	-	489	479	489	479	n/a	n/a
Total Financial Liabilities (recognised)		-	-	-	-	-	-	-	-	-	-	1,647	1,841	1,647	1,841		
Total liabilities														13,253	11,662		

21.3 Interest Rate Risk : Administered

Financial Instrument	Notes	Floating Interest Rate		Fixed Interest Rate								Non-Interest Bearing		Total		Weighted Average Effective Interest Rate	
				1 year or less		1 to 2 years		2 to 5 years		> 5 years							
		99-00 \$'000	98-99 \$'000	99-00 \$'000	98-99 \$'000	99-00 \$'000	98-99 \$'000	99-00 \$'000	98-99 \$'000	99-00 \$'000	98-99 \$'000	99-00 \$'000	98-99 \$'000	99-00 \$'000	98-99 \$'000	99-00 %	98-99 %
Financial Assets																	
Cash	8.2	-	-	-	-	-	-	-	-	-	-	43	31	43	31	n/a	n/a
Fees receivable	8.4	-	-	-	-	-	-	-	-	-	-	300	260	300	260	n/a	n/a
Total financial assets (recognised)		-	-	-	-	-	-	-	-	-	-	343	291	343	291		
Total assets														343	291		
Financial Liabilities																	
Trade creditors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	n/a	n/a
Total Financial Liabilities (recognised)		-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Total Liabilities														-	-		

NOTE 21: FINANCIAL INSTRUMENTS (continued)

21.4 Net Fair Values of Financial Assets and Liabilities

Financial assets

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

Financial liabilities

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

21.5 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 Balance Sheet.

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.