

APPENDIXES

Appendix 1: Financial statements



INDEPENDENT AUDIT REPORT

To the Minister for Health and Aged Care

Scope

I have audited the financial statements of Australian Institute of Health and Welfare for the year ended 30 June 2001. The financial statements comprise:

- Statement by Directors;
- Statement of Financial Performance;
- Statement of Financial Position;
- Statement of Cash Flows;
- Schedule of Commitments;
- Schedule of Contingencies, and
- Notes to and forming part of the Financial Statements.

The members of the Institute are 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 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 in Australia so as to present a view of the entity which is consistent with my understanding of its financial position, the results of its operations and its cash flows.

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

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Centenary House 19 National Circuit
BARTON ACT
Phone (02) 6203 7300 Fax (02) 6203 7777

Audit Opinion

In my opinion,

- (a) the financial statements have been prepared in accordance with Schedule 1 of the Commonwealth Authorities and Companies (Financial Statements 2000-2001) Orders; and
- (b) the financial statements give a true and fair view, in accordance with applicable Accounting Standards, other mandatory professional reporting requirements and Schedule 1 of the Commonwealth Authorities and Companies (Financial Statements 2000-2001) Orders, of the financial position of the Australian Institute of Health and Welfare as at 30 June 2001 and the results of its operations and its cash flows for the year then ended.

Australian National Audit Office



Darren Box
Executive Director

Delegate of the Auditor-General

Canberra

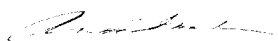
20 September 2001

STATEMENT BY DIRECTORS

In our opinion, the attached financial statements give a true and fair view of the matters as required by Schedule 1 of the Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997* for the year ended 30 June 2001.



Dr Sandra Hacker
Chair
28 September 2001



Richard Madden
Director
28 September 2001

**For health and welfare
statistics and information**

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AUSTRALIAN INSTITUTE OF HEALTH AND WELFARE
STATEMENT OF FINANCIAL PERFORMANCE
For the year ended 30 June 2001

	Notes	Actual Full Year 30-Jun-01 \$'000	Actual Full Year 30-Jun-00 \$'000
<u>Revenues from ordinary activities</u>			
Revenues from government	4A	7,970	8,270
Contract income	4B	10,323	9,066
Interest	4C	226	147
Proceeds from disposal of asset	4D	0	0
Other	4E	442	269
Total revenues from ordinary activities		18,961	17,752
<u>Expenses from ordinary activities</u>			
Employees	5A	10,288	10,265
Suppliers	5B	8,468	7,022
Depreciation and amortisation	5C	153	418
Write-down of assets	5D	0	14
Disposal of assets	4D	1	0
Total expenses from ordinary activities		18,910	17,719
Net operating surplus (deficit) from ordinary activities		51	33
Net surplus attributable to the Commonwealth		51	33
Net credit (debit) to asset revaluation reserve		553	0
Total revenue, expenses and valuation adjustments recognised directly in equity		0	0
Total changes in equity other than those resulting from transactions with owners as owners		604	33

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

AUSTRALIAN INSTITUTE OF HEALTH AND WELFARE
STATEMENT OF FINANCIAL POSITION
For the year ended 30 June 2001

	Notes	Actual Full Year 30-Jun-01 \$'000	Actual Full Year 30-Jun-00 \$'000
ASSETS			
Financial assets			
Cash	6A	7,218	6,079
Receivables	6B	552	2,405
Total financial assets		7,770	8,484
Non-financial assets			
Buildings	7A,C	674	0
Infrastructure, plant and equipment	7B,C	513	467
Inventories	7E	266	212
Other	7F	151	147
Total non-financial assets		1,604	826
Total assets		9,374	9,310
LIABILITIES			
Provisions			
Employees	8A	3,191	3,001
Total provisions		3,191	3,001
Payables			
Suppliers	8B	409	841
Contract income in advance	8C	4,715	5,442
Other	8D	429	0
Total payables		5,553	6,283
Total liabilities		8,744	9,284
EQUITY			
Capital	9	1,146	1,146
Reserves	9	687	134
Accumulated deficits	9	(1,203)	(1,254)
Total equity		630	26
Total liabilities and equity		9,374	9,310
Current liabilities		6,051	7,040
Non-current liabilities		2,693	2,244
Current assets		8,187	8,843
Non-current assets		1,187	467

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

AUSTRALIAN INSTITUTE OF HEALTH AND WELFARE
STATEMENT OF CASH FLOWS
For the year ended 30 June 2001

	Notes	Actual Full Year 30-Jun-01 \$'000	Actual Full Year 30-Jun-00 \$'000
OPERATING ACTIVITIES			
Cash received			
Appropriations		7,831	8,111
Contract income		11,465	10,119
Interest		218	147
GST recovered from taxation authority		270	0
Other		433	241
Total cash received		20,217	18,618
Cash used			
Employees		(10,098)	(9,971)
Suppliers		(8,660)	(6,722)
Total cash used		(18,758)	(16,693)
Net cash from operating activities	10	1,459	1,925
INVESTING ACTIVITIES			
Cash received			
Proceeds from sales of property, plant & equipment		0	0
Total cash received		0	0
Cash used			
Purchase of infrastructure, plant and equipment		(320)	(43)
Total cash used		(320)	(43)
Net cash from investing activities		(320)	(43)
Net increase (decrease) in cash held		1,139	1,882
Add cash at the beginning of the reporting period		6,079	4,197
Cash at the end of reporting period		7,218	6,079

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

AUSTRALIAN INSTITUTE OF HEALTH AND WELFARE
SCHEDULE OF COMMITMENTS
as at 30 June 2001

	Notes	Actual Full Year 30-Jun-01 \$'000	Actual Full Year 30-Jun-00 \$'000
BY TYPE			
OTHER COMMITMENTS			
Operating leases*		6,517	192
Other commitments**		12,039	5,713
Total commitments payable		18,556	5,905
COMMITMENT RECEIVABLE			
Net commitments		(6,396)	(3,949)
BY MATURITY			
All net commitments			
One year or less		7,047	998
From one to five years		4,159	958
Over five years		954	0
Net commitments		12,160	1,956
Operating lease commitments			
One year or less		1,162	103
From one to five years		4,305	64
Over five years		1,050	25
Net operating lease commitments		6,517	192

NB: Commitments are GST inclusive where relevant

* Operating leases included are effectively non-cancellable and comprise:

<i>Nature of Lease</i>	<i>General description of leasing arrangements</i>
Lease for office accommodation	* lease payments are subject to annual increases of 3% * the lease term is seven years and may be renewed for another seven years at the Institute's option. * current lease expires in July 2007.
Computer equipment lease	* the lease term is three years * on expiry of lease term, the Institute has the option to extend the lease period, return the computers, or trade in the computers for more up-to-date models.

** As at 30 June 2001, other commitments are primarily amounts relating to the Institute's contract work.

The above schedule should be read in conjunction with the accompanying notes

AUSTRALIAN INSTITUTE OF HEALTH AND WELFARE
SCHEDULE OF CONTINGENCIES
as at 30 June 2001

	Notes	Actual Full Year 30-Jun-01 \$'000	Actual Full Year 30-Jun-00 \$'000
CONTINGENT LOSSES			
Other guarantees		0	0
Total contingent losses		0	0

SCHEDULE OF UNQUANTIFIABLE CONTINGENCIES

At 30 June 2001, the Institute has no unquantifiable contingencies

The above schedule should be read in conjunction with the accompanying notes

AUSTRALIAN INSTITUTE OF HEALTH AND WELFARE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2001

Note Description

- 1 Summary of Significant Accounting Policies
- 2 Segment Reporting
- 3 Economic Dependency
- 4 Operating Revenues from Independent Sources
- 5 Operating Expenses- Goods and services
- 6 Financial Assets
- 7 Non-Financial Assets
- 8 Provisions and Payables
- 9 Equity
- 10 Cash Flow Reconciliation
- 11 External Financing Arrangements
- 12 Remuneration of Directors
- 13 Related Party Disclosures
- 14 Remuneration of Officers
- 15 Remuneration of Auditors
- 16 Contingencies
- 17 Financial Instruments
- 18 Appropriations

1 Summary of Significant Accounting Policies

1.1 Basis of accounting

The financial statements are required by clause 1(b) of Schedule 1 to the *Commonwealth Authorities and Companies 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 1 to the Commonwealth Authorities and Companies (CAC) Orders);
- Australian Accounting Standards and Accounting Interpretations issued by the Australian Accounting Standards Board;
- 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.
- Guidance Notes issued by that Department

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 of the Australian Institute of Health and Welfare (the Institute).

Assets and liabilities are recognised in the Institute when and only when it is probable that future economic benefits will flow and the amounts of the assets or liabilities can be reliably measured. Assets and liabilities arising under agreements equally and proportionately underperformed 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.

Revenue and expenses are recognised in the Institute when and only when the flow or consumption or loss of economic benefits has occurred and can be reliably measured.

1.2 Changes in Accounting Policy

The accounting policies used in the preparation of these financial statements are consistent with those used in 1999-2000.

1.3 Reporting by Outcomes

The Institute is funded by Appropriation for one outcome only.

1.4 Revenue

The revenues describe in this Note are revenues relating to the core operating activities of the Institute

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

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 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. The stage of completion is determined according to the proportion that costs incurred to date bear to the estimated total costs of the transaction.

Core Operations

All material revenues described in this note are revenues relating to the core operating activities of the Institute whether in their own right or on behalf of the Commonwealth. Details of revenue amounts are given in Note 4.

From 1 July 1999, the Commonwealth Budget has been prepared under an accruals framework. Under this framework, Parliament appropriates monies to the Institute as revenue appropriations, as loan appropriations and as equity injections.

Revenue Appropriations

Revenues from government are revenues of the core operating activities of the Institute.

Appropriations for outputs are recognised as revenue to the extent they have been received into the Institute's Bank account or are entitled to be received by the Institute at year end.

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 resources is recognised as an expense

AUSTRALIAN INSTITUTE OF HEALTH AND WELFARE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2001

1.5 Employee Entitlements

Leave

The liability for employee entitlements 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 Institute 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 2001 and is recognised at its nominal amount.

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 2001. In determining the present value of the liability, attrition rates and pay increases through promotion and inflation have been taken into account.

Separation and redundancy

Provision is also made for separation and redundancy payments in cases where positions have been formally identified as excess to requirements, the existence of an excess has been publicly communicated, and a reliable estimate of the amount payable can be determined.

Superannuation

Employees contribute to the Commonwealth Superannuation Scheme and the Public Sector Superannuation Scheme. Employer contributions amounting to \$1,129,785 (1999-00: \$1,091,935) for the Institute 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.

Employer Superannuation Productivity Benefit contributions totalled \$233,914 (1999-00: \$234,533) for the Institute.

1.6 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.

Where a non-current asset is acquired by means of a finance lease, the asset is capitalised at the present value of minimum lease payments at the inception of the lease and a liability recognised for the same amount. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are expensed on a basis which is representative of the pattern of benefits derived from the leased assets. The net present value of the future net outlays in respect of surplus space under non-cancellable lease agreements is expensed in the period in which the space becomes surplus.

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

1.7 Cash

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

1.8 Financial instruments

Accounting policies for financial instruments are stated at note 17.

1.9 Acquisition of Assets

The cost of acquisition includes the fair value of assets transferred and the liabilities undertaken.

1.10 Infrastructure, plant and equipment

Asset recognition threshold

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

Revaluations

Schedule 2 requires that infrastructure, plant and equipment be progressively revalued in accordance with the 'deprival' method of valuation by no later than 1 July 1999 and thereafter be revalued progressively on that basis every three years.

AUSTRALIAN INSTITUTE OF HEALTH AND WELFARE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2001

The Institute implemented its progressive revaluations in 1999. Its infrastructure, plant and equipment assets were revalued in full at 30 June 1999, by type of asset. Assets in each class acquired after the commencement of the progressive revaluation cycle are not captured by the progressive revaluation then in progress. Plant and equipment assets are due to be revalued during the year ended 30 June 2002.

Infrastructure, plant and equipment is recognised at its depreciated replacement cost.

The Institute signed a new lease during the year. The new lease expires in July 2007. Leasehold improvements were revalued at 30 June 2001. This did not include leasehold improvements acquired during the year. As part of our progressive revaluation program, leasehold improvements will be revalued again during the year ended 30 June 2003.

Any assets which would not be replaced or are surplus to requirements are valued at net realisable value. At 30 June 2001 there were no assets in this situation.

All valuations are independent.

Recoverable amount test

The carrying amount of each item of non-current infrastructure plant and equipment assets is reviewed to determine whether it is in excess of the asset's recoverable amount. If an excess exists as at the reporting date, the asset is written down to its recoverable amount immediately. In assessing recoverable amounts, the relevant cash flows, including the expected cash inflows from future appropriations by the Parliament, have been discounted to their present value.

Depreciation and Amortisation

Depreciable infrastructure plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the Institute 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 assets are based on the following useful lives:

	2000-2001	1999-2000
Leasehold improvements	Lease Term	Lease Term
Infrastructure plant and equipment	5 to 10 years	5 to 10 years

The appropriate amount of depreciation allocated for each class of asset during the reporting period is disclosed in Note 5C.

1.11 Inventories

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

All inventories are current assets.

1.12 Taxation

The Institute is exempt from all forms of taxation except fringe benefits tax and the goods and services tax.

1.13 Insurance

The Institute has insured for risks through the Government's insurable risk managed fund, called 'Comcover'. Workers compensation is insured through Comcare Australia.

1.14 Comparative figures

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

1.15 Rounding

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

- remuneration of directors;
- remuneration of officers (other than directors); and
- remuneration of auditors.

AUSTRALIAN INSTITUTE OF HEALTH AND WELFARE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2001

2 Segment reporting

The Institute operates in a single industry and geographic segment, being provision to government of health and welfare information in Australia. The Institute operates in the research industry.

The Institute is structured to meet one outcome:

Outcome 1: Knowledge, information and training for developing better strategies to improve the health of Australians.

Reporting by Outcome for 2000-01

	Total	
	Budget	Actual
	\$'000	\$'000
Net cost of entity outputs	7,831	7,831
Net cost to budget outcome	7,831	7,831
Outcome specific assets	2,955	4,043
Assets that are not outcome specific	3,895	5,330
NB The Net Cost to Budget Outcome shown includes intra-government costs that are eliminated in calculating the overall Budget Outcome.		

3 Economic dependency

The Institute is controlled by the Government of the Commonwealth of Australia.

The Institute is dependent on appropriations from Parliament of the Commonwealth for its continued existence and ability to carry out its normal activities.

The Institute is also dependent upon a significant volume of business with the Department of Health and Aged Care.

4 Operating revenue from independent sources

	2000/2001 \$'000	1999/2000 \$'000
4A Revenues from Government		
Appropriations	7,831	8,111
Resources received free of charge		
Provision of facilities by the Department of Health and Aged Care and Department of Finance and Administration	139	159
Total	7,970	8,270
4B Sales of goods and services		
Contract income	10,323	9,066
4C Interest		
Deposits	226	147
4D Proceeds from disposal of assets		
Non-financial asset - Infrastructure, plant & equipment	0	0
Revenue (proceeds) from sale	1	0
Expense from sale	-1	0
Total	-1	0
4E Other revenues		
Consultancy	51	68
Publications	91	77
Conferences	0	65
Other	300	59
Total	442	269

AUSTRALIAN INSTITUTE OF HEALTH AND WELFARE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2001

5. Operating Expenses- Goods and Services

5A Employee expenses		
Remuneration for services provided	10,288	10,198
Separation and redundancy	0	67
Total	<u>10,288</u>	<u>10,265</u>

The Institute contributes to the Commonwealth Superannuation (CSS) and the Public Sector (PSS) Superannuation schemes which provide retirement, death and disability benefits to employees. Contributions to the schemes are at rates calculated to cover existing and emerging obligations. Current contribution rates are 19.9% of salary (CSS) and 11.4% of salary (PSS). An additional 3% is contributed for employer productivity benefits. The Institute also meets its superannuation guarantee liabilities for employees that are not members of CSS or PSS.

5B Supplier Expenses		
Supply of goods and services	4,788	3,613
Operating lease rentals	841	981
Contracted services	2,839	2,428
Total	<u>8,468</u>	<u>7,022</u>

Contracted services above are comprised of:

National Perinatal Statistics Unit	543	440
Dental Statistics & Research Unit	552	518
National Centre for Classification in Health	64	63
National Centre for Aboriginal & Torres Strait Islander Statistics	576	576
National Injury Surveillance Unit	669	755
Survey of General Practice Activity	0	0
Principles & Standards in Community	25	0
Other	410	35
Department of Health and Family Services	0	41
	<u>2,839</u>	<u>2,428</u>

5C Depreciation and amortisation		
Depreciation of infrastructure, plant and equipment	133	203
Amortisation of leasehold improvements	20	192
Amortisation of discount on lease of computers	0	23
Total	<u>153</u>	<u>418</u>

The aggregate amounts of depreciation or amortisation allocated during the reporting period, as expense, for each class of depreciable asset are as follows:

Leasehold improvement	20	192
Plant and equipment	83	146
Furniture and Fitting	50	57
Deferred discount on lease of computers	0	23
	<u>153</u>	<u>418</u>

5D Write-down of assets		
Financial assets:		
Receivables for goods and services	0	14
Non-financial assets:		
Inventory - write off	0	0
Total	<u>0</u>	<u>14</u>

6 Financial assets

6A Cash		
Cash at bank and on hand	1,515	6,038
Deposits at Call	5,703	0
Department of Finance Imprest Account	0	41
	<u>7,218</u>	<u>6,079</u>
Balance of cash as at end of period shown in the Statement of Cash Flows	<u>7,218</u>	<u>6,079</u>

AUSTRALIAN INSTITUTE OF HEALTH AND WELFARE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2001

6B Receivables		
Goods and services	463	2,384
Less: Provision for doubtful Debts	6	0
	<u>457</u>	<u>2,384</u>
Other Debtors	29	21
GST Receivables	66	0
Total Receivables	<u>552</u>	<u>2,405</u>

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

Not Overdue	366	1,126
Overdue by:		
- less than 30 days	177	1,257
- 30 to 60 days	0	22
-60 to 90 days	9	0
-more than 90 days	0	0
Total Receivables (gross)	<u>552</u>	<u>2,405</u>

7 Non-financial assets

7A Buildings		
Leasehold improvements - at valuation 30 June 2001	551	786
Accumulated amortisation	0	(786)
	<u>551</u>	<u>0</u>
Leasehold improvements - at cost	143	
Accumulated amortisation	(20)	
	<u>123</u>	<u>0</u>
Total Buildings	<u>674</u>	<u>0</u>

7B Infrastructure Plant and Equipment		
Plant and equipment - at June 1999 valuation	624	647
Accumulated depreciation	(282)	(202)
	<u>342</u>	<u>445</u>
Plant and equipment - at cost	206	24
Accumulated depreciation	(35)	(2)
	<u>171</u>	<u>22</u>
Total Infrastructure Plant and Equipment	<u>513</u>	<u>467</u>

The revaluation of non-financial assets as at 30 June 1999 in accordance with the revaluation policies stated at Note 1 was completed by an independent valuer Australian Valuation Office. Revaluation increment of \$133,631 was transferred to the asset revaluation reserve in 1998-99.

Leashold Improvement revaluation as at 30 June 2001, was carried out by an independent valuer. Revaluation increment of \$550,700 was transferred to the asset revaluation reserve in 2000-01.

Analysis of infrastructure, plant and equipment
Movement Summary 2000-01 for all assets irrespective of valuation basis

7C	Item	Buildings - Leasehold Improvements	Plant and Equipment	Total
		\$'000	\$'000	\$'000
	Gross value as at 1 July 2000	0	670	670
	Additions - Purchase of Assets	143	179	322
	Revaluations: write-ups / (write downs)	551	2	553
	Assets transferred in / (out)	0	0	0
	Write-offs	0	0	0
	Disposals	0	(21)	(21)
	Gross value as at 30 June 2001	<u>694</u>	<u>830</u>	<u>1,524</u>
	Accumulated depreciation / amortisation as at 1 July 2000	0	204	204
	Disposals	0	(20)	(20)
	Depreciation / amortisation charge for the year	20	133	153
	Revaluations: write-ups / (write downs)	0	0	0
	Assets transferred in / (out)	0	0	0
	Write-offs	0	0	0
	Accumulated depreciation / amortisation at 30 June 2001	<u>20</u>	<u>317</u>	<u>337</u>
	Net book value as at 30 June 2001	<u>674</u>	<u>513</u>	<u>1,187</u>
	Net book value as at 1 July 2000	0	467	467

AUSTRALIAN INSTITUTE OF HEALTH AND WELFARE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2001

Analysis of infrastructure, plant and equipment				
Summary of balances of assets at valuation as at 30 June 2001				
7D	Item	Buildings - Leasehold Improvements \$'000	Plant and Equipment \$'000	Total \$'000
	As at 30 June 2001			
	Gross Value	551	624	1,175
	Accumulated Depreciation	0	(282)	(282)
	Net Book Value	551	342	893
	As at 30 June 2000			
	Gross Value	787	647	1,434
	Accumulated Depreciation	(787)	(202)	(989)
	Net Book Value	0	445	445

	2000/2001	1999/2000
7E All inventories are current assets		
Inventories held for sale	<u>266</u>	<u>212</u>
7F Other non-financial assets		
Other prepayments	<u>151</u>	<u>147</u>
Total	<u>151</u>	<u>147</u>
8 Provisions and Payables		
8A Provisions - Employees		
Salaries and wages	330	279
Annual leave	1,073	1,009
Long service leave	<u>1,788</u>	<u>1,713</u>
Aggregate employee entitlement liability	<u>3,191</u>	<u>3,001</u>
8B Payables - Suppliers		
Trade creditors	<u>409</u>	<u>841</u>
Total	<u>409</u>	<u>841</u>
8C Payables - Contract income in advance		
Contract income	<u>4,715</u>	<u>5,442</u>
Total	<u>4,715</u>	<u>5,442</u>
8D Payables - Other		
Lease Incentive Liability		
Current	72	0
Non-Current	<u>357</u>	<u>0</u>
	<u>429</u>	<u>0</u>

9 Equity

Item	Capital		Accumulated	Accumulated	Asset	Asset	Total equity	Total equity
	2001	2000	Results	Results	Revaluation	Revaluation		
	\$'000	\$'000	2001	2000	Reserves	Reserves		
Balance 1 July 2000	1,146	1,146	(1,254)	(1,287)	134	134	26	(7)
Operating result			51	33			51	33
Net revaluation increases/ (decreases)					553	0	553	0
Capital Use Charge			0	0				
Balance 30 June 2001	<u>1,146</u>	<u>1,146</u>	<u>(1,203)</u>	<u>(1,254)</u>	<u>687</u>	<u>134</u>	<u>630</u>	<u>26</u>

10 Cash flow reconciliation

	2000/2001	1999/2000
	\$'000	\$'000
Reconciliation of net cash flows used by operating activities to net cost of services.		
Operating surplus/(deficit)	51	33
Depreciation / amortisation of infrastructure, plant & equipment	153	418
Changes in assets and liabilities		
(Increase)/decrease in receivables	1,853	(1,576)
(Increase)/decrease in other Assets	(4)	(14)
(Increase)/decrease in inventory	(54)	(65)
Increase/(decrease) in other payables/contract income in advance	(727)	2,625
Increase/(decrease) in liability to suppliers	(432)	210
Increase/(decrease) in employee liabilities	190	294
Increase/(decrease) in lease incentive liability	<u>429</u>	<u>0</u>
Net cash provided by operating activities	<u>1,459</u>	<u>1,925</u>

AUSTRALIAN INSTITUTE OF HEALTH AND WELFARE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2001

11 External Financing Arrangements

The Institute has no external financing arrangement in 2000-2001.

12 Remuneration of Directors

Adequate amount of superannuation payments in connection with the retirement of Directors	0	58,768
Other remuneration received or due and receivable by Directors of the Institute	270,104	223,541
Total remuneration received or due and receivable by Directors of the Institute	<u>270,104</u>	<u>282,309</u>

The number of Directors of the Institute included in these figures are shown below in the relevant remuneration bands:

	Number	Number
• \$Nil - \$10,000	2	2
• \$10,001 - \$20,000	1	1
• \$20,001 - \$30,000	1	1
• \$30,001 - \$40,000	1	1
• \$40,001 - \$50,000	1	1
• \$50,001 - \$60,000	1	1
• \$60,001 - \$70,000	1	1
• \$70,001 - \$80,000	1	1
• \$80,001 - \$90,000	1	1
• \$90,001 - \$100,000	1	1
• \$100,001 - \$110,000	1	1
• \$110,001 - \$120,000	1	1
• \$120,001 - \$130,000	1	1
• \$130,001 - \$140,000	1	1
• \$140,001 - \$150,000	1	1
• \$150,001 - \$160,000	1	1
• \$160,001 - \$170,000	1	1
	<u>5</u>	<u>5</u>

Directors of the Australian Institute of Health and Welfare are the members of the Institute. The Officers receive no additional remuneration for these duties.

13 Related party disclosures

Directors of the Institute

The Directors of the Institute during the year were:

Professor J Reid (Chairperson)
Dr R Madden (Director)
Dr Sandra Hacker
Mr Andrew Podger
Ms Libby Davies
Mr Ian Proctor
Ms Linda Apelt
Ms Lyn Elliot (staff-elected member)
Mr Tim Skinner (representing the Australian Statistician)
Mr David Butt (resigned 17.08.00)

The adequate remuneration of Directors is disclosed in Note 12.

14 Remuneration of Executive Officers

	2000/2001	1999/2000
	\$	\$
Income received or due and receivable by executive officers	<u>413,982</u>	<u>541,902</u>

The number of executive officers included in these figures are shown below in the relevant remuneration bands:

	Number	Number
\$100,000 - \$110,000	0	0
\$110,001 - \$120,000	0	0
\$120,001 - \$130,000	0	1
\$130,001 - \$140,000	3	2
	<u>3</u>	<u>3</u>

The executive officer remuneration includes all officers concerned with or taking part in the management of the economic entity during the quarter except the Director and a proportion of the remuneration for executive officers who were acting Directors during the period. Details in relation to those Directors have been incorporated into Note 12 - Remuneration of Directors.

15 Remuneration of Auditors

	2000/2001	1999/2000
	\$	\$
Remuneration to the Auditor-General for auditing the financial statements for the reporting period.	<u>15,000</u>	<u>14,000</u>

No other services were provided by the Auditor-General during the reporting period.

16 Contingencies

As at the 30 June 2001, the Authority has no remote contingencies and no unquantifiable contingencies.