

Appendix 1

Finance

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INDEPENDENT AUDIT REPORT

To the Minister for Health and Aged Care

Scope

I have audited the financial statements of the Australian Institute of Health and Welfare for the year ended 30 June 1999. The statements comprise:

- Statement by Directors
- Operating Statement
- Statement of Assets and Liabilities
- Statement of Cash Flows
- Schedule of Commitments
- Schedule of Contingencies, and
- Notes to and forming part of the financial statements.

The directors 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 Minister for Health and Aged Care.

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 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 entity which is consistent with my understanding of its financial position, the results of its operations and its cash flows.

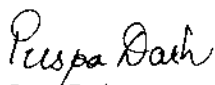
The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In my opinion,

- (i) the financial statements have been prepared in accordance with Schedule 2 of the Finance Minister's Orders; and
- (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 Australian Institute of Health and Welfare as at 30 June 1999 and the results of its operations and its cash flows for the year then ended.

Australian National Audit Office



Puspá Dash
Senior Director

Delegate of the Auditor-General

Canberra

6 September 1999



Statement by Directors

In our opinion, the attached financial statements give a true and fair view of the matters as required by Schedule 2 of the Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997*.



Professor J Reid
Chair

3 September 1999



Richard Madden
Director

2 September 1999

For health and welfare
statistics and information

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AUSTRALIAN INSTITUTE OF HEALTH AND WELFARE
OPERATING STATEMENT
for the year ended 30 June 1999

	Notes	1999 \$'000	1998 \$'000
NET COST OF SERVICES			
Operating expenses			
Employees	4A	9,003	7,863
Suppliers	4B	7,039	7,465
Depreciation and amortisation	4C	409	506
Write-down of assets	4D	19	86
Net losses from sale of assets	4E	0	248
Total operating expenses		16,470	16,168
Revenues from independent sources			
Contract income	5A	8,550	6,556
Interest	5B	69	79
Other	5C	289	321
Total revenues from independent sources		8,908	6,956
Net cost of services		7,562	9,212
REVENUES FROM GOVERNMENT			
Revenues from government			
Parliamentary appropriations received	6A	7,703	7,748
Resources received free of charge	6B	162	160
Total revenues from government		7,865	7,908
Surplus (deficit) of revenues from government over net cost of services	8	303	(1,304)
Accumulated deficits at beginning of reporting period	8	(1,590)	(286)
Accumulated deficits at end of reporting period	8	(1,287)	(1,590)

The accompanying notes form part of these financial statements

AUSTRALIAN INSTITUTE OF HEALTH AND WELFARE
STATEMENT OF ASSETS AND LIABILITIES
as at 30 June 1999

	Notes	1999 \$'000	1998 \$'000
PROVISIONS AND PAYABLES			
Employees	7A	2,706	2,167
Suppliers	7B	630	590
Contract income in advance	7C	2,816	2,438
Total provisions and payables		6,152	5,195
Total liabilities		6,152	5,195
EQUITY			
Capital	8	1,146	1,146
Reserves	8	134	0
Accumulated deficits	8	(1,287)	(1,590)
Total equity		(7)	(444)
Total liabilities and equity		6,145	4,751
FINANCIAL ASSETS			
Cash	9A	4,197	1,996
Receivables	9B	218	1,103
Other	9C	612	287
Total financial assets		5,027	3,386
NON-FINANCIAL ASSETS			
Infrastructure, plant and equipment	10A,B	838	999
Inventories	10C	147	160
Other	10D	133	206
Total non-financial assets		1,118	1,365
Total assets		6,145	4,751
Current liabilities		4,300	3,635
Non-current liabilities		1,852	1,560
Current assets		5,301	3,729
Non-current assets		844	1,022

The accompanying notes form part of these financial statements.

AUSTRALIAN INSTITUTE OF HEALTH AND WELFARE
STATEMENT OF CASH FLOWS
for the year ended 30 June 1999

	Notes	1999 \$'000	1998 \$'000
OPERATING ACTIVITIES			
Cash received			
Appropriations		7,703	7,748
Contract income		9,590	6,147
Interest		65	72
Other		248	321
Total cash received		17,606	14,288
Cash used			
Employees		(8,465)	(7,871)
Suppliers		(6,843)	(7,180)
Total cash used		(15,308)	(15,051)
Net cash from operating activities	11	2,298	(763)
INVESTING ACTIVITIES			
Cash used			
Purchase of infrastructure, plant and equipment		(97)	(156)
Total cash used		(97)	(156)
Net cash from investing activities		(97)	(156)
Net increase (decrease) in cash held		2,201	(919)
add cash at 1 July		1,996	2,915
Cash at 30 June	9A	4,197	1,996

The accompanying notes form part of these financial statements

**AUSTRALIAN INSTITUTE OF HEALTH AND WELFARE
SCHEDULE OF COMMITMENTS**

as at 30 June 1999

	1999	1998
	\$'000	\$'000
BY TYPE		
COMMITMENTS		
Operating leases	1,026	2,026
Other commitments	9,094	11,356
Total commitments payable	10,120	13,382
Commitments receivable	(7,461)	(7,980)
Net commitments	2,659	5,402
BY MATURITY		
All net commitments		
One year or less	969	1,995
From one to two years	773	1,572
From two to five years	917	1,835
Net commitments	2,659	5,402
Operating lease commitments		
One year or less	(958)	(1,004)
From one to two years	(54)	(982)
From two to five years	(14)	(40)
Operating lease commitments	(1,026)	(2,026)

The accompanying notes form part of these financial statements

**AUSTRALIAN INSTITUTE OF HEALTH AND WELFARE
SCHEDULE OF CONTINGENCIES**

as at 30 June 1999

	1999	1998
	\$'000	\$'000
BY TYPE		
CONTINGENT LOSSES		
Other guarantees	0	75
Total contingent losses	0	75

The Institute had underwritten a portion of the University of Sydney's investment in the General Practice Activity Survey. The guarantee was limited to \$75,000.

There were no remote contingencies.

The accompanying notes form part of these financial statements