

Financial Statements

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Financial Statements for the Year Ended 30 June 1998

Certificate by the Executive Officers of the Australian Institute of Family Studies

In our opinion the accounts for the Australian Institute of Family Studies are drawn up so as to give a true and fair view of:

- the state of affairs at 30 June 1998 of the Australian Institute of Family Studies;
- the operating result for the year ended on that date of the Australian Institute of Family Studies, and
- the cash flow statement for the year ended on that date of the Institute.

At the date of this statement there are reasonable grounds to believe that the Australian Institute of Family Studies will be able to pay its debts as and when they fall due.

The accompanying accounts of the Australian Institute of Family Studies have been made out in accordance with the Guidelines for Financial Statements of Commonwealth Authorities which require compliance with applicable accounting standards and other mandatory professional reporting requirements.

On behalf of the Institute,

Mr John Shelton

Acting Director

Australian Institute of Family Studies

Dame Margaret Guilfoyle

Presiding Member

Board of Management

Australian Institute of Family Studies

10 September 1998

Operating Statement for the Year Ended 30 June 1998

	Note	1998 \$	1997 \$
COST OF SERVICES			
Operating expenses			
Salaries and employee expenses	(5a)	1,963,710	2,033,604
Specialist assistance		258,268	245,130
Long service leave		33,399	81,260
Recreation leave		147,133	183,120
Employer's superannuation contribution		250,934	248,524
Travel expenses and allowances	(5b)	129,022	148,211
Office requisites and services		43,107	44,465
Postage and telecommunications		67,610	106,025
Building services		344,420	301,385
Library		120,814	85,112
Publishing		83,190	53,899
Cost of publications sold		73,164	76,642
Dissemination		73,967	128,149
Consultants		221,652	111,072
Incidental and other expenditure		82,830	77,730
Interest on commonwealth loan		-	3,500
Equipment and maintenance		71,603	79,474
Depreciation	(5c)	153,261	117,475
Write down of Assets	(5d)	54,510	35,348
Loss on disposal of fixed assets	(5e)	17,471	16,864
Total operating expenses		4,190,065	4,176,989
Operating revenues from independent sources			
Contracts	(4)	511,008	654,524
Sale of publications		148,098	194,197
Royalties		36,972	52,843
Bank interest	(7a)	48,399	52,599
Conference registrations		-	71,657
Sponsorship		-	20,000
Consultancy fees		8,234	4,265
Cost recovery and other	(7b)	92,635	45,489
Total operating revenues from independent sources		845,346	1,095,574
Net cost of services		3,344,719	3,081,415
REVENUE FROM GOVERNMENT			
Parliamentary appropriation	(2)	3,239,874	3,291,000
Surplus (deficit) of revenues from government over net cost of services		(104,845)	209,585
Accumulated surplus (deficit) at beginning of reporting period		175,123	(34,462)
Accumulated surplus (deficit) at end of reporting period	(10)	70,278	175,123

The accompanying Notes form an integral part of these Statements.

Statement of Assets and Liabilities as at 30 June 1998

	Note	1998 \$	1997 \$
DEBT			
Overdraft	(12a)	11,706	34,655
Total debt		11,706	34,655
PROVISIONS AND PAYABLES			
Employees	(11a)	657,969	671,260
Suppliers	(11b)	101,525	64,489
Other	(i)	56,411	58,707
Total provisions and payables		815,905	794,456
Total Liabilities		827,611	829,111
EQUITY			
Capital	(10)	613,295	613,295
Accumulated surplus (deficit)	(10)	70,278	175,123
Total Equity		683,573	788,418
Total liabilities and equity		1,511,184	1,617,529
FINANCIAL ASSETS			
Cash	(8a)	120,096	347,486
Receivables	(8b)	940,505	641,408
Total financial assets		1,060,601	988,894
NON-FINANCIAL ASSETS			
Inventories	(9a)	32,324	47,569
Infrastructure, Plant & Equipment	(9b)	357,417	527,713
Other	(9c)	60,842	53,353
Total non-financial assets		450,583	628,635
Total assets		1,511,184	1,617,529
Current liabilities		438,218	407,195
Non-current liabilities		389,393	421,916
Current assets		1,145,686	1,077,923
Non-current assets		365,498	539,606

The accompanying Notes form an integral part of these Statements.

Statement of Cash Flows for the Year Ended 30 June 1998

	Note	1998 \$	1997 \$
OPERATING ACTIVITIES			
Cash received			
Appropriations		3,239,874	3,291,000
Sales of goods and services		594,301	813,878
Interest and bill discounts		49,664	55,597
Other		128,421	187,610
Total cash received		4,012,260	4,348,085
Cash used			
Employees		(2,668,791)	(2,692,077)
Suppliers		(1,277,476)	(1,297,814)
Total cash used		(3,946,267)	(3,989,891)
Net cash from operating activities	(3)	65,993	358,194
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of plant & equipment		6,300	14,194
Bills of Exchange		-	88,904
Total cash received		6,300	103,098
Cash Used			
Payments for plant and equipment		(42,701)	(181,848)
Bills of Exchange		(234,033)	-
Total cash used		(276,734)	(181,848)
Net cash from investing activities		(270,434)	(78,750)
FINANCING ACTIVITIES			
Cash used			
Commonwealth Loan Repayment		-	(34,500)
Total cash used		-	(34,500)
Net cash from financing activities		-	(34,500)
Net increase (decrease) in cash held		(204,441)	244,944
Cash at 1 July		312,831	67,887
Cash at 30 June	(8a) (12b)	108,390	312,831

The accompanying Notes form an integral part of these Statements.

Schedule of Commitments for the Year Ended 30 June 1998

	Note	1998 \$	1997 \$
CAPITAL COMMITMENTS			
Infrastructure plant and equipment		22,406	-
Total capital commitments		<u>22,406</u>	<u>-</u>
OTHER COMMITMENTS			
Operating leases		2,181,400	2,679,573
Project commitments		952,601	679,153
Other commitments		2,083	7,010
Total other commitments		<u>3,136,084</u>	<u>3,365,736</u>
Total commitments payable		<u>3,158,490</u>	<u>3,365,736</u>
Commitments receivable			
Project commitments		(1,288,285)	(683,597)
Total commitments receivable		<u>(1,288,285)</u>	<u>(683,597)</u>
Net commitments		<u>1,870,205</u>	<u>2,682,139</u>
BY MATURITY			
One year or less		200,457	303,194
From one to two years		119,224	275,978
From two to five years		627,624	797,534
Over five years		922,900	1,305,433
Net commitments		<u>1,870,205</u>	<u>2,682,139</u>

Notes to Schedule of Commitments

The Institute has a ten year tenancy agreement at 300 Queen Street Melbourne with the Commonwealth, effective from 1 March 1997, at a current rate of \$20,975 per month (\$251,700 per annum). The next market based rent assessment is due on 1 March 1999.

Project commitments receivable are based on known commitments for contracted research funds, ie amount specified in contract agreement. Project commitments payable are based on budget and costed estimates of expenditure by AIFS in relation to the contracted projects. The costings budgets form the basis of determining the contract revenue for projects, and represent the funds that the Institute needs to commit to complete the project.

Schedule of Contingencies for Year Ended 30 June 1998

		1998	1997
	Note	\$	\$
Contingent Losses		-	-
Contingent Gains		-	-
Net contingencies		-	-

Notes to Schedule of Contingencies

Remote Contingency

The Institute as part of its Agency Agreement, which is yet to be certified, has offered a one off payment to staff amounting to \$42,000. This offer is still considered to be at the proposal stage.

Notes to and Forming Part of the Financial Statements for the Year Ended 30 June 1998

1. Statement of Accounting Policies

The Institute's Financial Statements are a general purpose financial report. They have been prepared in accordance with the Guidelines on Financial Statements of Commonwealth Authorities issued by the Minister for Finance and Administration which require compliance with, applicable Australian Accounting Standards, Accounting Guidance Releases and other mandatory professional reporting requirements (including consensus views of the Urgent Issues Group). They also have regard to the Statements of Accounting Concepts.

The major policy impacts on the Financial Statements for 1997/98 are the implementation of the Australian Accounting Standard AAS 33 dealing with reporting and disclosure of Financial Instruments, and the progressive implementation of the deprival method of valuing Property Plant and Equipment as commenced in 1996/97.

The financial statements have been prepared on an accrual basis, 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 financial position. In particular the following accounting policies have been consistently applied:-

(a) *Infrastructure Plant and Equipment:*

- (i) taken over upon incorporation of the Institute have been stated at their book value as at 24 June 1986;
- (ii) acquired during the year at cost, and in the first 12 months of their use this represents their value under the deprival method;
- (iii) depreciation has been provided in order to write down assets to their realisable value over the term of their expected useful lives. The useful life of computer equipment is normally in the range of three to five years, however this is reviewed annually. The following rates have been applied in most cases for 1997/98:-
 - Computer hardware – 20% straight line method
 - Computer software – 33% straight line method
 - Office Equipment – 10% straight line method
 - Office furniture – 7.5% straight line method
- (iv) all assets with a cost of less than \$1,000 are expensed in the year of acquisition, except where they form a group of similar items which are significant in total.
- (v) In accordance with the change in the useful life definition under AAS 4 "Depreciation", the useful life of a number of assets, particularly computer equipment, has been altered (increased) since 1996/97 resulting in adjustments to depreciation of \$18,062 in the 1996/97. In 1997/98 the increase in the useful lives of some assets will result in future adjustments to the depreciation calculations of these assets, but result in no adjustments in the current period.
- (vi) The Guidelines require that Property, Plant and Equipment be progressively revalued in accordance with the deprival method of valuation (as set out in the Guidelines on Accounting Policy for Valuation of Assets of Government Enterprises) by 1 July 1999 and thereafter be revalued progressively on that basis every three years.

The Institute is implementing its progressive valuations on the following basis:

- Computer and office equipment and software, which represent more than half of the value of the Institute's non current assets, are initially being revalued over the financial years 1997/98 and 1998/99. The majority of the revaluation has been

completed for inclusion in the 1997/98 Financial Statements. Other assets comprising Infrastructure and Leasehold Improvements will initially be revalued during the 1998/99 financial year.

- The application of the deprival method has resulted in the valuation of computer equipment at its current market buying price. Very few assets in this category were recognised as not being replaced or surplus to requirements at 30 June 1998, with the impact on valuation not of a material nature. The valuation of computer assets has resulted in a revaluation decrement or asset write off amounting to \$47,292.
- The valuations performed during 1997/98 were conducted internally, and utilised pricing information on assets from reliable sources and suppliers used previously by the Institute.

(b) *Stock*

Stock is valued at the lower of cost or net realisable value (refer also to Note 9a).

(c) *Liability for Employee Entitlements*

The liability for employee entitlements encompasses provisions 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 by employees is less than the annual entitlement for sick leave.

Liability for long service leave has been calculated at the net present value of estimated future cash outflows for long service leave. In determining the present value of the liability, attrition rates and pay increases through promotion and inflation have been taken into account. Long service leave entitlements amounting to \$48,809 were paid during the year (\$42,642 in 1996/97). The apportionment of liability between current and non-current is based on expected payments as compared to legal liability.

The provision for annual leave reflects the value of total annual leave entitlements of all employees at 30 June 1998 and recognised at its nominal value.

(d) *Cash*

For the purposes of the Statement of Cash Flows cash includes deposits at call which are readily convertible to cash and which are used in the cash management function on a day to day basis.

(e) *Taxation*

The Institute is exempt from all forms of taxation except fringe benefits tax.

(f) *Insurance*

The Institute, as an organisation subject to the Commonwealth Authorities and Companies Act, is expected to join the Commonwealth Government's new managed insurance fund, Comcover, from 1 October 1998.

(g) *Leases*

Lease payments for operating leases are charged as expenses in the periods in which they are incurred.

(h) *Bad and Doubtful Debts*

Bad debts are written off during the year in which they are identified. A provision is raised for doubtful debts, if considered necessary, based on a review of all outstanding accounts at year end.

(i) *Other (Unexpended Advances)*

Unexpended advances refer to annual magazine subscriptions for Family Matters, comprising the issue of three publications per calendar year. They are brought to account over the subscription period.

(j) *Comparative Figures*

Where necessary, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

(k) *Financial Instruments*

Accounting policies in relation to financial instruments are disclosed in Note 17.

(l) *Economic Dependancy*

The Institute is dependant on appropriations from Parliament to carry out its normal activities.

2. Parliamentary Appropriations

During the period the following appropriations were received:-

	1998	1997
	\$	\$
Appropriation Act (No. 1)	3,239,874	3,291,000
Total	<u>3,239,874</u>	<u>3,291,000</u>

3. Cashflow Reconciliation

Reconciliation of net cash flows from operating activities to Net Cost of Services

Net Cost of Services	(3,344,719)	(3,081,415)
Revenues fom Government	3,239,874	3,291,000
Decrease (Increase) in inventory	15,245	7,070
Decrease (Increase) in receivables	(61,407)	(37,762)
Decrease (Increase) in other assets	(16,745)	(5,637)
Increase (Decrease) in liability to suppliers	31,216	(16,612)
Increase (Decrease) in employee liabilities	(15,495)	67,211
Loss on sale of equipment	17,471	16,864
Depreciation	153,261	117,475
Revaluation adjustment	47,292	-
Net cash used by operating activities	<u>65,993</u>	<u>358,194</u>
Reconciliation of Cash		
Cash	(8a) 120,096	347,486
Overdraft	(12a) (11,706)	(34,665)
Total	<u>108,390</u>	<u>312,831</u>

4. Contract Revenue

The Institute undertakes some research and dissemination of information on a contract basis which contributes to meeting its stated objectives. During this year revenue to the value of \$511,008 (1997 \$654,524) was earned. The funding auspice, amounts and projects were as follows:-

Brimbank Community Health Service (Brimbank Family Outreach), Nil (1997 \$10,014). The project comprises the evaluation of the Brimbank Family Outreach Service, and also program evaluation of the Outreach Service Consultancy. Currently finishing the data analysis and commencing the draft of the final report. Further and final payments are not due until completion of the report.

Department of Community Services (NSW Child Protection Council), \$10,351 (1997 Nil). A study for the NSW Child Protection Council comprising the production of a

Literature Review Report and Audit Report. Both reports were completed during 1997/98.

Department of Health and Family Services (National Child Protection Clearing House), \$150,000 (1997 \$150,000). A new contract extended for a further three years, for AIFS to resource and facilitate a network of people and organisations concerned with child abuse prevention.

Department of Health and Family Services (AOATSIHS Parenting), \$49,000 (1997 \$77,000). A study of parenting and child rearing among remote indigenous Australian communities. Modification of research instruments for the project is currently proceeding, with all field work to be completed during 1998, and some remaining writing to be completed in 1999.

Department of Health and Family Services (Youth Suicide Prevention Communications), \$178,436 (1997 \$121,875). This is a two year contract running to June 1999 which will develop a national stocktake of information on youth suicide to facilitate communications. The first National Stocktake publication has been produced, and work is proceeding on the first briefing paper, as well as the evaluation phase of the project. A number of other initiatives and publications are planned during 1998/99.

Department of Health and Family Services (QIAS Survey), \$10,000 (1997 Nil). A phone in survey, over a two week period, from various child care agencies around Australia for the Commonwealth Child Care Advisory Council.

Department of Human Services (FANL & ECO Project), \$43,221 (1997 \$10,000). A Project to evaluate Family and Neighbourhood Links Demonstration projects and Enhanced Client Outcomes Pilot projects. Two progress reports have been completed, with the ECO and FANL final reports and possible follow up report remaining to be completed.

Department of Prime Minister and Cabinet (Extension of Australian Divorce Transition Project ADTP), \$15,000 (1997 Nil). A project, commenced during 1997/98 and soon to finish, to conduct a telephone survey and inquiry into the possible connection between the existence of violence in a relationship and economic outcomes for women post separation or divorce.

Department of Social Security (Carers Survey Project), \$20,000 (1997 Nil). A project to conduct a survey of carers caring for family members or friends who have a disability or chronic medical condition. The project has just commenced with \$20,000 paid on execution of contract, and remainder paid on completion of main survey and final report.

Rotary Health Research Fund (Looking After Children), \$35,000 (1997 \$17,500). AIFS was awarded a grant in 1997 to carry out an independent evaluation of the effectiveness of a pilot scheme looking at children in public care. A further grant of \$35,000 was provided to extend the project to 31 December 1998. At 30 June 1998 the second and final wave of data collection was near completion.

5. Goods and services expenses	1998	1997
	\$	\$
(a) <i>Employee Expenses</i>		
Basic Remuneration for services provided	2,594,356	2,726,046
Separation and Redundancy Payments	-	15,425
Total Remuneration	<u>2,594,356</u>	<u>2,741,471</u>
Other	<u>59,088</u>	<u>50,167</u>
Total employee expenses	<u>2,653,444</u>	<u>2,791,638</u>
(b) <i>Suppliers Expenses</i>		
Supply of goods and services	1,059,679	1,000,544
Operating lease rentals	251,700	215,120
Total suppliers expenses	<u>1,311,379</u>	<u>1,215,664</u>
(c) <i>Depreciation and Amortisation</i>		
Depreciation of infrastructure, plant and equipment	<u>153,261</u>	<u>117,475</u>
(d) <i>Write down of assets</i>		
Non Financial Assets		
Inventory written off	7,218	35,348
Computer and Office Equipment	<u>47,292</u>	<u>-</u>
Total write down of assets	<u>54,510</u>	<u>35,348</u>
(e) <i>Net losses from sale of non financial assets</i>		
Loss on disposal and write off of infrastructure and computer equipment.	<u>17,471</u>	<u>16,864</u>
Total operating expenses	<u>4,190,065</u>	<u>4,176,989</u>

6. Employer's Superannuation Contribution

The Institute contributes to the Commonwealth Superannuation Scheme (CSS) for those employees who chose to stay in the CSS on the commencement of the Public Sector Superannuation Scheme (PSS) on 1 July 1990. The Institute also contributes to the PSS for those staff who transferred from the CSS and all eligible staff who joined the Institute after the PSS commencement date.

The Institute's present contribution as employer to the CSS is 26.6% of salary and 11.5% of salary in respect of the PSS. In 1997/98 \$250,934 (1996/97 \$248,524) was paid by the Institute.

7. Operating Revenue from Independent Sources

	1998	1997
	\$	\$
(a) <i>Interest</i>		
Deposits	16,096	15,000
Bank Bills of Exchange	<u>32,303</u>	<u>37,599</u>
Total interest	<u>48,399</u>	<u>52,599</u>
(b) <i>Other</i>		
Sales of goods and services	704,312	997,486
Cost recovery and other	<u>92,635</u>	<u>45,489</u>
Total other	<u>796,947</u>	<u>1,042,975</u>
Total operating revenue from independent sources	<u>845,346</u>	<u>1,095,574</u>

Cost recovery and other revenue represents revenue from a variety of individual sources including recovery of photocopying costs and reimbursements of fares for Institute staff undertaking speaking engagements interstate. In 1997/98 there was also reimbursement of employee costs from Comcare of \$55,107 (1996/97 \$21,412)

8. Financial Assets

	1998	1997
(a) <i>Cash</i>	\$	\$
Cash at Bank	120,006	347,271
Petty Cash	89	215
Total	120,095	347,486

(b) *Receivables*

During the year bad and doubtful debts of \$381, (1996/97 \$351), were written off. No provision has been established for doubtful debts given the continuing low levels of debtors that need to be written off.

• *Receivables classified by Age:*

	1998	1997
	\$	\$
Less than 30 days	167,738	100,626
30 to 60 days	771,554	540,212
More than 60 days	1,213	570
Total	940,505	641,408

• *Receivables classified by Category*

Trade Debtors	136,311	75,094
Other Debtors	32,892	29,045
Bank Bills of Exchange	771,302	537,269
Total	940,505	641,408

9. Non-financial assets

(a) *Inventories*

Most Institute publications are sold. A program of disposal of obsolete publications was commenced in 1996, and has continued on an annual basis. A Provision for Stock Obsolescence of \$34,932 (1996/97 \$28,516) takes account of slow turnover in particular publications which have not been disposed of at this stage.

	1998	1997
	\$	\$
Inventory	67,256	76,085
Less provision for stock obsolescence	34,932	28,516
Total	32,324	47,569
Current Inventory	24,243	35,676
Non Current Inventory	8,081	11,893

(b) *Infrastructure Plant & Equipment*

Summary by category:-

	At Cost/Valuation		Depreciation		Net Book Value	
	1998	1997	1998	1997	1998	1997
Infrastructure and office equip.	\$ 330,146	\$ 323,773	\$ 157,460	\$ 136,445	\$ 172,686	\$ 187,328
Computer equip. and software	498,003	652,702	313,272	312,317	184,731	340,385
Total	828,149	976,475	470,732	448,762	357,417	527,713

Movement Summary:-	Infrastructure	Computers	Total
Gross Value 1 July 1997	323,773	652,702	976,475
Additions	18,532	29,736	48,268
Disposals	(10,800)	(87,666)	(98,466)
Revaluation write off	(1,359)	(96,769)	(98,128)
Gross Value 30 June 1998	330,146	498,003	828,149
Accumulated Depreciation 1 July 1997	136,445	312,317	448,762
Annual Depreciation charges	26,348	126,913	153,261
Adjustment for Disposals	(4,530)	(75,925)	(80,455)
Adjustment for Revaluation	(803)	(50,033)	(50,836)
Accumulated Depreciation 30 June 1998	157,460	313,272	470,732
Net Book Value 30 June 1998	172,686	184,731	357,417
Net Book Value 1 July 1997	187,328	340,385	527,713

(c) *Other Non-Financial Assets*

	1998	1997
Prepayments	\$ 60,842	\$ 53,353

10. Equity

	Capital	Accumulated Results	Total Equity
Balance 1 July 1997	613,295	175,123	788,418
Surplus / (Deficit)	-	(104,845)	(104,845)
Balance 30 June 1998	613,295	70,278	683,573

11. Provisions and payables

(a) <i>Liabilities to Employees</i>	1998	1997
Salaries and wages	\$ 53,594	\$ 25,309
Superannuation	4,475	1,346
Annual Leave	202,999	231,934
Long Service Leave	393,333	408,743
Other	3,568	3,928
Total liabilities to employees	657,969	671,260

(b) *Liabilities to Suppliers*

	1998	1997
Trade creditors	\$ 101,525	\$ 64,489

12. Debt

	1998	1997
	\$	\$
(a) <i>Cash</i>		
Bank overdraft	11,706	34,655

13. Leave Provisions

	1998	1997
	\$	\$
Current		
Provision for recreation leave	131,939	168,761
Provision for long service leave	75,000	50,000
Total	206,939	218,761
Non-Current		
Provision for recreation leave	71,060	63,173
Provision for long service leave	318,333	358,743
Total	389,393	421,916

14. Auditors' Remuneration

The Australian National Audit Office provides audit services to the Institute with the fee for the current year estimated at \$18,000 (1996/97 \$18,500). No other fee based services were provided by Australian National Audit Office.

15. Remuneration of Board of Management

Payments of \$170,372 (1996/97 \$161,259) were made for Board of Management remuneration and superannuation and comprise; the Director and Acting Director's salary, superannuation and allowances of \$159,618 (1996/97 \$149,765), travel allowances for Board members \$4,019 (1996/97 \$5,060), superannuation payments for Board members Nil (1996/97 \$36) and per diem fees for Board members \$6,735 (1996/97 \$6,398).

The number of directors of the Institute included in the above figures are shown in the following remuneration band.

	Numbers	
	1998	1997
\$Nil - \$10,000	7	7
\$140,000 - \$150,000	-	1
\$150,001 - \$160,000	1	-
Total	8	8

The Director of the Institute is appointed as a full time chief executive officer of the Institute, as well as a member of the Board of Management. This officer is the only one to receive remuneration in excess of \$100,000 per annum.

16. Related Parties

The Board of Management of the Australian Institute of Family Studies, during the year, comprised:

Ms Ann Sherry, Presiding Member. Retired May 1998.

Dame Margaret Guilfoyle. Reappointed May 1998 and Presiding Member from May 1998.

Professor Robert Gregory, Deputy Presiding Member.

Mrs Susan Bastick. Appointed February 1998.

Dr Sarah Kennedy. Appointed February 1998

Ms Adele Horin

Dr Harry McGurk, Director. Deceased April 1998

Mr John Shelton, Acting Director from April 1998

Information in relation to remuneration of Board of Management is disclosed in Note 16.

There were no other related party transactions.

17. Financial Instruments

(a) Terms, conditions and accounting policies

Financial Instrument

Financial Assets

Deposits at call (Note 8a)

Accounting Policies and Methods - Deposits are recognised at their nominal amounts. Interest is credited to revenue as it accrues.

Nature of underlying instrument - Temporarily surplus funds, mainly from monthly drawdowns of appropriation are placed on deposit with the Institute's banker. Interest is earned on the daily balance at the prevailing daily rate for the money on call and paid monthly.

Bills of Exchange (Note 8b)

Accounting Policies and Methods - Bills are carried at the amount of their initial proceeds plus accrued interest.

Nature of underlying instrument - Bills are issued at discount reflecting market yields. They have an average term to maturity of 31 days with effective interest rates ranging from 4.55% to 5.1%.

Receivables for Goods and Services (Note 8b)

And Other Debtors

Accounting Policies and Methods - Recognised at their nominal amounts less any provision for bad and doubtful debts. Provisions are made when collection of the debt is judged to be less rather than more likely.

Nature of underlying instrument - Credit terms are 21 days.

Financial Liabilities

Bank Overdraft (Note 12a)

Accounting Policies and Methods - Recognised at their principal amounts. Interest is charged as it accrues.

Nature of underlying instrument - Temporary situation that although technically an overdraft does not result in charging of interest.

Trade and Other Creditors (Notes 11a and 11b)

Accounting Policies and Methods - Creditors and accruals are recognised at their nominal amounts, being the amounts that the liabilities will be settled. Liabilities are recognised to the extent that the goods and services have been received (and irrespective of having been invoiced).

Nature of underlying instrument - Settlement is usually made net 30 days.

(b) *Interest Rate Risk***Financial Instrument**

Financial Assets

Deposits at Call (Note 8a)	1997/98	1996/97
Floating Interest Rate	-	-
Fixed Interest Rate (1 Year or less)	120,006	347,272
Non Interest Bearing	89	214
Total	<u>120,095</u>	<u>347,486</u>
Weighted Average Effective Interest Rate	3.83%	2.92%
Bills of Exchange (Note 8b)	1997/98	1996/97
Floating Interest Rate	-	-
Fixed Interest Rate (1 Year or less)	771,302	537,269
Non Interest Bearing	-	-
Total	<u>771,302</u>	<u>537,269</u>
Weighted Average Effective Interest Rate	4.73%	6.25%
Receivables for Goods and Services (Note 8b)	1997/98	1996/97
Floating Interest Rate	-	-
Fixed Interest Rate	-	-
Non Interest Bearing	169,203	104,139
Total	<u>169,203</u>	<u>104,139</u>
Weighted Average Effective Interest Rate	n/a	n/a

Financial Liabilities

Bank Overdraft (Note 12a)	1997/98	1996/97
Floating Interest Rate	-	-
Fixed Interest Rate	-	-
Non Interest Bearing	11,706	34,655
Total	<u>11,706</u>	<u>34,655</u>
Weighted Average Effective Interest Rate	n/a	n/a
Trade and Other Creditors (Notes 11a and 11b)	1997/98	1996/97
Floating Interest Rate	-	-
Fixed Interest Rate	-	-
Non Interest Bearing	163,162	95,072
Total	<u>163,162</u>	<u>95,072</u>
Weighted Average Effective Interest Rate	n/a	n/a

Financial Statements

(c) *Net Fair Values of Financial Assets and Liabilities*

Financial Assets	Note	1997/98		1996/97	
		Total Carrying Amount	Aggregate Net Fair Value	Total Carrying Amount	Aggregate Net Fair Value
Deposits at Call	8a	120,096	120,096	347,486	347,486
Bills of Exchange	8b	771,302	771,302	537,269	537,269
Receivables of Goods and Services	8b	169,203	169,203	104,139	104,139
Total Financial Assets		<u>1,060,601</u>	<u>1,060,061</u>	<u>988,894</u>	<u>988,894</u>
Financial Liabilities (Recognised)					
Bank Overdraft	12a	11,706	11,706	34,655	34,655
Trade and Other Creditors	11a, 11b	163,162	163,162	95,072	95,072
Total Financial Liabilities (Recognised)		<u>174,868</u>	<u>174,868</u>	<u>129,727</u>	<u>129,727</u>

Additional Financial Information

Research Development Account

The Institute continues to maintain separate accounts for research studies conducted on a contract basis. Contracts treated in this manner from 1992/93 onwards are specified below. All external project revenue is paid into the account with all relevant project expenditure, excluding employee expenses paid out of appropriation, disbursed from this account.

The following research studies were added to the Research Development Account during 1997/98. The overall figures represent the ongoing and cumulative income and expenditure of all studies, where the funds still form part of the account at 30 June 1998. Contract revenue received into the account, for studies completed prior to 30 June 1997, is reported as an aggregate figure carried over into 1997/98. From 1996/97 actual Institute monies are not separated physically into the two accounts, so as to consolidate banking practices.

Funds amounting to \$50,000 were paid out of the Research Development Account, (1996/97 \$205,000), to support research work that has no direct external source of funding.

(a) <i>Revenue</i>	1998	1997
	\$	\$
Carers DSS CATI Survey	20,000	-
Brimbank Family Outreach Consultancy	-	10,014
Department of Health & Family Services, Parenting Extension	49,000	77,000
Department of Health & Family Services, Quality Care Survey	10,000	-
Department of Health & Family Services, Youth Suicide Prevention	178,436	121,875
Department of Human Services, FANL & ECO	43,221	10,000
Department of Prime Minister & Cabinet, Divorce Transitions	15,000	-
NSW Child Protection Council, Child Abuse Prevention	10,351	-
Rotary, Looking After Children	35,000	17,500
Revenue from other studies prior to 30 June 1997	-	1,123,304
Other contract revenue	-	-
Contract revenue from beginning of reporting period	1,359,693	-
Total Research Development Revenue	1,720,701	1,359,693
(b) <i>Expenditure</i>		
Contract salaries	396,911	220,231
Travel expenses and allowances	26,265	13,375
Office requisites and services	5,214	5,214
Postage and telecommunications	60,688	50,993
Building services	8,318	8,318
Library/data	5,595	5,595
Publishing	95,610	64,738
Dissemination	35,292	13,638
Consultants	225,816	104,124
Incidental and other expenditure	11,648	5,876
Equipment and maintenance	27,603	26,165
Transfer from Research Development	255,000	205,000
Total Research Development Expenditure	1,153,960	723,267