

Financial Statements

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Australian Institute of Family Studies Statements by Directors

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

Professor Steven Schwartz
Member, Board of Management
Australian Institute of Family Studies
26 August 1999

Mr David I. Stanton
Acting Director
Australian Institute of Family Studies
26 August 1999

Operating Statement for the Year ended 30 June 1999

	Note	1999 \$	1998 \$
COST OF SERVICES			
Operating expenses			
Salaries and employee expenses	(6a)	2,034,892	1,963,710
Specialist assistance		396,721	258,268
Long service leave		91,906	33,399
Recreation leave		177,391	147,133
Employer's superannuation contribution	(7)	379,834	250,934
Travel expenses and allowances		151,117	129,022
Office requisites and services		42,959	43,107
Postage and telecommunications		91,145	67,610
Building services		341,585	344,420
Library		73,025	120,814
Publishing		113,904	83,190
Cost of publications sold		45,430	73,164
Dissemination		212,923	73,967
Consultants		142,735	221,652
Incidental and other expenditure		153,074	82,830
Equipment and maintenance		69,415	71,603
Depreciation	(6c)	112,585	153,261
Write down of Assets	(6d)	37,574	54,510
Loss on disposal of fixed assets	(6e)	15,841	17,471
Total operating expenses		4,684,056	4,190,065
REVENUE			
Operating revenues from independent sources			
Contracts	(5)	850,503	511,008
Sale of publications		105,602	148,098
Bank interest	(8a)	48,668	48,399
Conference registrations		142,230	-
Sponsorship		20,000	-
Consultancy fees		13,367	8,234
Cost recovery and other	(8b)	81,591	92,635
Reversals of previous asset write downs		24,307	-
Total operating revenues from independent sources		1,353,029	845,346
Net cost of services		3,331,027	3,344,719
REVENUE FROM GOVERNMENT			
Parliamentary appropriation received	(3)	3,236,000	3,239,874
Surplus (deficit) of revenues from government over net cost of services		(95,027)	(104,845)
Accumulated surplus (deficit) at beginning of reporting period		70,278	175,123
Accumulated surplus (deficit) at end of reporting period	(11)	(24,749)	70,278

The accompanying Notes form an integral part of these Statements

Statement of Assets and Liabilities as at 30 June 1999

	Note	1999 \$	1998 \$
DEBT			
Overdraft	(13a)	-	11,706
Total debt		-	11,706
PROVISIONS AND PAYABLES			
Employees	(12a)	867,116	657,969
Suppliers	(12b)	121,626	101,525
Other	(1i)	42,635	56,411
Total provisions and payables		1,031,377	815,905
Total Liabilities		1,031,377	827,611
EQUITY			
Capital		613,295	613,295
Accumulated surplus (deficit)	(11)	(24,749)	70,278
Total equity		588,546	683,573
Total liabilities and equity		1,619,923	1,511,184
FINANCIAL ASSETS			
Cash	(9a)	255,317	120,096
Receivables	(9b)	941,402	940,505
Total financial assets		1,196,719	1,060,601
NON-FINANCIAL ASSETS			
Inventories	(10a)	18,703	32,324
Infrastructure, Plant & Equipment"	(10b)	355,931	357,417
Other	(10c)	48,570	60,842
Total non-financial Assets		423,204	450,583
Total assets		1,619,923	1,511,184
Current liabilities		915,154	438,218
Non-current liabilities		116,223	389,393
Current assets		1,259,316	1,145,686
Non-current assets		360,607	365,498

The accompanying Notes form an integral part of these Statements

Statement of Cash Flows for the Year ended 30 June 1999

	Note	1999 \$	1998 \$
OPERATING ACTIVITIES			
Cash received			
Appropriations		3,236,000	3,239,874
Sales of goods and services		1,052,197	594,301
Conferences		162,230	
Interest and bill discounts		44,633	49,664
Other		100,866	128,421
Total cash received		4,595,926	4,012,260
Cash used			
Employees		(2,871,596)	(2,668,791)
Suppliers		(1,422,270)	(1,277,476)
Total cash used		(4,293,866)	(3,946,267)
Net cash from operating activities	(4)	302,060	65,993
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of plant and equipment		4,308	6,300
Cash Used			
Payments for plant and equipment		(125,922)	(42,701)
Bills of Exchange		(33,519)	(234,033)
Total cash used		(159,441)	(276,734)
Net cash from investing activities		(155,133)	(270,434)
Net increase (decrease) in cash held		146,927	(204,441)
Cash at 1 July		108,390	312,831
Cash at 30 June	(9a) (13b)	255,317	108,390

The accompanying Notes form an integral part of these Statements

Schedule of Commitments for the Year ended 30 June 1999

	Note	1999 \$	1998 \$
CAPITAL COMMITMENTS			
Infrastructure plant and equipment		1,239	22,406
Total capital commitments		1,239	22,406
OTHER COMMITMENTS			
Operating leases		2,047,358	2,181,400
Project commitments		436,583	952,601
Other commitments		21,448	2,083
Total other commitments		2,505,389	3,136,084
Total commitments payable		2,506,628	3,158,490
Commitments receivable			
Project commitments		(497,430)	(1,288,285)
Total commitments receivable		(497,430)	(1,288,285)
Net commitments		2,009,198	1,870,205
BY MATURITY			
All Net Commitments			
One year or less		250,310	200,457
From one to two years		279,084	119,224
From two to five years		785,084	627,624
Over five years		694,720	922,900
Net commitments		2,009,198	1,870,205
Operating Lease Commitments			
One year or less		288,470	251,700
From one to two years		279,084	251,700
From two to five years		785,084	755,100
Over five years		694,720	922,900
Operating Lease Commitments		2,047,358	2,181,400

The accompanying Notes form an integral part of these Statements

Notes to Schedule of Commitments

The Institute renegotiated a new tenancy agreement at 300 Queen Street Melbourne during 1998/99, which will run as before to 28 February 2007. The current lease rate is \$21,710 per month (\$260,520 per annum), and this includes rental and car parking licence. The market based rent assessment due on 1 March 1999 has been changed to 1 March 2001 under the terms of the new lease. The car parking lease fee review is now due on 1 March 2000.

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 the Institute 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 the Year Ended 30 June 1999

	Note	1999	1998
		\$	\$
Contingent Losses		-	-
Contingent Gains		-	-
Net Contingencies		-	-

The Institute is currently negotiating with the building owners over the level of compensation to be paid to the Institute for electricity costs associated with use of the airconditioning system during business hours. This reimbursement will be backdated to 16 February 1999, and will not result in payments to the Institute of more than \$7,500 in 1998/99. The negotiated settlement will result in future annual reimbursement as an offset against our operating lease rent on the building, which is likely to be no more than \$19,800 per annum.

Australian Institute of Family Studies Notes to and Forming Part of the Financial Statements for the Year Ended 30 June 1999

1. Statement of Accounting Policies

The Institute's Financial Statements are a general purpose financial report. They have been prepared in accordance with the requirements of Schedule 2 of the Finance Minister's orders (FMOs) issued by the Minister for Finance and Administration, under the Companies and Authorities Act 1997, 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.

In terms of policy, the Institute has continued with the progressive implementation of the deprival method of valuing Property Plant and Equipment, and has taken account of changes to the disclosure and level of information required in the notes to the financial statements.

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) is 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 1998/99:-
 - Computer hardware – 20% straight line method
 - Computer software – 33% straight line method
 - Office Equipment – 10% or 20% 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 all Infrastructure Plant and Equipment, particularly computer equipment, has been reviewed since 1996/97 resulting in periodic adjustments. In 1998/99 the useful lives of several assets were altered and this will result in changes to depreciation calculations in future periods.
- (vi) The Guidelines on accounting policy for valuation of assets of government enterprises require that Property, Plant and Equipment be progressively revalued in accordance with the deprival method of valuation by 1 July 1999 and thereafter be revalued progressively on that basis every three years.

The Institute has implemented its progressive valuations on the following basis:

- Computer equipment and software, which represents more than half the value of the Institute's non current assets, has been revalued over the financial years 1997/98 and 1998/99. The majority of the revaluation was completed for i in the 1997/98 Financial Statements. A major purchase of computer equipment was conducted during the year resulting in the disposal of equipment that would have been considered for revaluation. This replacement program will be completed in the first half of 1999/2000.

The category of office equipment and infrastructure was reviewed during 1998/99, with office equipment comprising photocopiers and telecommunications being revalued on a replacement cost basis. Several Infrastructure assets comprising cabling and partitioning were written off, with other assets in the furniture and infrastructure categories not requiring revaluation.

- The application of the deprival method has resulted in the valuation of computer and office equipment at its current market buying price. Very few assets were recognised as not being replaced or surplus to requirements at 30 June 1999, with the impact on valuation not of a material nature. The valuation of office equipment assets has resulted in a revaluation decrement or asset write off amounting to \$1,616.

The revaluation decrement of \$47,292 for 1997/98 was reduced by \$24,307 during this year to reverse movements in accumulated depreciation caused by prior period changes to the useful lives of assets, which were part of the revaluation figure at 30 June 1998. This change to the 1997/98 figure is treated as a reversal of a previous asset write down in the Operating Statement.

- The valuations performed during 1998/99 were conducted internally, and utilised pricing information on assets from reliable sources and suppliers used previously by the Institute.

(b) *Inventory*

Inventory is valued at the lower of cost or net realisable value (refer also to Note 10a). The weighted average cost method is used to assign costs to Inventories.

(c) *Liability for Employee Entitlements*

The liability for employee entitlements encompasses provisions for annual leave, redundancy 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 \$17,890 were paid during the year (\$48,809 in 1997/98). The apportionment of liability between current and non-current is based on the availability of the leave for staff to use in the current period.

The provision for annual leave reflects the value of total annual leave entitlements of all employees at 30 June 1999 and recognised at its nominal value.

As at 30 June 1999, the Institute had reached agreement to voluntarily retire two staff in July 1999 with redundancy payments amounting to \$114,195. Subsequent payment of the redundancies was made in July 1999.

- (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 joined the Commonwealth Government's new managed insurance fund, Comcover, from 1 October 1998, with the current term of cover running to 30 June 2000.
- (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 in these financial statements.
- (k) *Financial Instruments*
Accounting policies in relation to financial instruments are disclosed in Note 18.

2. Economic Dependency

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

3. Revenues from Government

During the period the following appropriations were received:-

	1999	1998
	\$	\$
Appropriation Act (No.1)	3,236,000	3,239,874
Total	3,236,000	3,239,874

4. Cashflow Reconciliation

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

	1999	1998
	\$	\$
Net Cost of Services	(3,331,027)	(3,344,719)
Revenues from Government	3,236,000	3,239,874
Decrease (Increase) in inventory	13,621	15,245
Decrease (Increase) in receivables	52,180	(61,407)
Decrease (Increase) in other assets	3,064	(16,745)
Increase (Decrease) in liability to suppliers	13,212	31,216
Increase (Decrease) in employee liabilities	209,148	(15,495)
Loss on sale of equipment	15,841	17,471
Depreciation expense	112,585	153,261
Revaluation and Depreciation adjustment	1,743	47,292
Reversal of previous asset write down	(24,307)	-
Net Cash used by operating activities	<u>302,060</u>	<u>65,993</u>
Reconciliation of Cash		
Cash	(9a) 255,317	120,096
Overdraft	(13a) -	(11,706)
Total	<u>255,317</u>	<u>108,390</u>

5. 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 \$850,503 (1998 \$511,008) was earned. The funding auspice, amounts and projects were as follows:-

Brimbank Community Health Service (Brimbank Family Outreach), \$23,367 (1998 \$Nil). The project comprises the evaluation of the Brimbank Family Outreach Service, and also program evaluation of the Outreach Service Consultancy. The final report was completed and accepted.

Department of Family and Community Services (Transgenerational Income Support Dependence) \$33,987 (1998 Nil). A project to investigate the beliefs and attitudes of different groups of young people for reasons explaining their social exclusion from mainstream Australian society. Both stages of fieldwork have been completed. The writing of the final report is in progress with delivery due for end of July 99.

Department of Family and Community Services (National Child Protection Clearing House), \$250,000 (1998 \$150,000). The contract was revised to two years running until 30 June 2000 at an annual fee of \$250,000. The contract is for AIFS to resource and facilitate a network of people and organisations concerned with child abuse prevention.

Department of Health and Aged Care (AOATSIHS Parenting), \$49,258 (1998 \$49,000). A study of parenting and child rearing among remote indigenous Australian communities. The final report is currently being prepared and is expected to be completed by the end of August 99.

Department of Health and Aged Care (Youth Suicide Prevention Communications), \$143,827 (1998 \$178,436). This contract will be completed during 1999/2000 and will

develop a national stocktake of information on youth suicide to facilitate communications. The second draft stocktake and summary report are being produced, and are expected to be completed during July 1999.

Department of Health and Aged Care (Youth Suicide Prevention Evaluation), \$103,865 (1998 Nil). A separate allocation has been made to the Institute for evaluation of the National Youth Suicide Prevention Strategy, and this involves the production of a series of progress reports. This project is due for completion in early 2000.

Department of Health and Aged Care (QIAS Survey), \$3,023 (1998 \$10,000). A phone in survey, over a two week period, from various child care agencies around Australia for the Commonwealth Child Care Advisory Council. Completed and submitted in July 1998.

Department of Human Services (FANL & ECO Project), \$72,798 (1998 \$43,221). A Project to evaluate Family and Neighbourhood Links Demonstration projects and Enhanced Client Outcomes Pilot projects. All reports have been completed and submitted to the Department.

Department of Prime Minister and Cabinet (Extension of Australian Divorce Transition Project ADTP), \$15,000 (1998 \$15,000). A project, commenced during 1997/98 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. A final report has been completed and submitted for the Office of Status of Women.

Department of Social Security (Carers Survey Project), \$88,078 (1998 \$20,000). A project to conduct a survey of carers caring for family members or friends who have a disability or chronic medical condition. The main survey was completed and the final report was submitted and accepted in the second half of 1998.

La Trobe University (Lincoln Gerontology Healthy Behaviours Project), \$21,800 (1998 Nil). Contracted by the Lincoln Gerontology Centre for a wave 3 data collection exercise on the health status of older people, using the Institute's CATI unit. Project was completed with the presentation of report and file.

La Trobe University (Lincoln Gerontology Healthy Retirement Project), \$12,000 (1998 Nil). Contracted by the Lincoln Gerontology Centre to collect data on older people about their experiences of retirement before and after they leave work. Some fieldwork remains to be completed, with the final fieldwork report and system file due to be completed by the end of July 1999.

Rotary Health Research Fund (Looking After Children), \$17,500 (1998 \$35,000). 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. All work associated with the project has been completed.

University of Melbourne (Neighbourhoods Project), \$16,000 (1998 Nil). A survey, using the CATI unit, of residents of two Melbourne suburbs about their attachment to their neighbourhood was completed during the year.

6. Goods and services expenses

	1999	1998
	\$	\$
(a) <i>Employee Expenses</i>		
Basic Remuneration for services provided	2,891,478	2,594,356
Separation and Redundancy Payments	145,369	-
Total Remuneration	3,036,847	2,594,356
Other	43,897	59,088
Total employee expenses	<u>3,080,744</u>	<u>2,653,444</u>
(b) <i>Suppliers Expenses</i>		
Supply of goods and services	1,176,787	1,059,679
Operating lease rentals	260,525	251,700
Total suppliers expenses	<u>1,437,312</u>	<u>1,311,379</u>
(c) <i>Depreciation and Amortisation</i>		
Depreciation of infrastructure, plant and equipment	112,585	153,261
(d) <i>Write down of assets</i>		
Non Financial Assets		
Inventory written off	35,958	7,218
Computer and Office Equipment	1,616	47,292
Total write down of assets	<u>37,574</u>	<u>54,510</u>
(e) <i>Net losses from sale of non financial assets</i>		
Loss on disposal and write off of infrastructure and computer equipment	15,841	17,471
Total operating expenses	<u>4,684,056</u>	<u>4,190,065</u>

7. 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 1998/99 \$379,834 (1997/98 \$250,934) was paid by the Institute.

8. Operating Revenue from Independent Sources

	1999	1998
	\$	\$
(a) <i>Interest</i>		
Deposits	10,760	16,096
Bank Bills of Exchange	37,908	32,303
Total interest	<u>48,668</u>	<u>48,399</u>

(b) <i>Other</i>		
Sales of goods and services	1,198,463	704,312
Cost recovery and other	81,591	92,635
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Total other	1,280,054	796,947
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Reversal of previous asset write down	24,307	
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Total operating revenue from independent sources	1,353,029	845,346

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 1998/99 there was reimbursement of employee costs from Comcare of \$56,636 (1997/98 \$55,107)

9. Financial Assets

	1999	1998
	\$	\$
(a) <i>Cash</i>		
Cash at Bank	255,103	120,006
Petty Cash	214	89
	<hr/>	<hr/>
Total	255,317	120,095
	<hr/>	<hr/>
(b) <i>Receivables classified by Category</i>		
Trade Debtors	84,242	136,311
Other Debtors	52,339	32,892
Bank Bills of Exchange	804,821	771,302
	<hr/>	<hr/>
Total	941,402	940,505
	<hr/>	<hr/>
(c) <i>Receivables classified by Age</i>		
Less than 30 days	105,474	167,738
30 to 60 days	834,731	771,554
More than 60 days	1,197	1,213
	<hr/>	<hr/>
Total	941,402	940,505

During the year bad and doubtful debts of \$673, (1997/98 \$381), were written off. No provision has been established for doubtful debts given the continuing low levels of debtors that need to be written off (still less than 1% of debtors) .

10. 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 \$50,841 (1997/98 \$34,932) takes account of slow turnover in particular publications which have not been disposed of at this stage. A number of older publications were also written off during the year.

There were no stocks of goods and other property which were used in the production of goods, other property and services not held for resale. Some publications are not produced for sale, but are distributed free of charge, with the associated costs being for the design and printing of the final product.

	1999	1998
	\$	\$
Inventory	69,544	67,256
Less provision for stock obsolescence	50,841	34,932
Total	<u>18,703</u>	<u>32,324</u>

(b) *Infrastructure Plant & Equipment*

	At Cost/ Valuation		Accumulated Depreciation		Net Book Value	
	1999	1998	1999	1998	1999	1998
	\$	\$	\$	\$	\$	\$
Infrastructure and office equipment	329,546	330,146	165,689	157,460	163,857	172,686
Computer equipment and software	502,639	498,003	310,565	313,272	192,074	184,731
Total	<u>832,185</u>	<u>828,149</u>	<u>476,254</u>	<u>470,732</u>	<u>355,931</u>	<u>357,417</u>

	Infrastructure	Computers	Total
Gross Value 1 July 1998	330,146	498,003	828,149
Additions	38,804	80,231	119,035
Disposals	(33,236)	(81,542)	(114,778)
Revaluation write off	(2,539)		(2,539)
Write offs/Adjustments	(3,629)	5,947	2,318
Gross Value 30 June 1999	<u>329,546</u>	<u>502,639</u>	<u>832,185</u>
Accumulated Depreciation 1 July 1998	157,460	313,272	470,732
Annual Depreciation charges	35,168	77,417	112,585
Disposals	(25,449)	(58,831)	(84,280)
Revaluation write off	(923)		(923)
Reversal of previous write off		(24,307)	(24,307)
Write offs/Adjustments	(568)	3,015	2,447
Accumulated Depreciation 30 June 1999	<u>165,688</u>	<u>310,566</u>	<u>476,254</u>
Net Book Value 30 June 1999	<u>163,858</u>	<u>192,073</u>	<u>355,931</u>
Net Book Value 1 July 1998	<u>172,686</u>	<u>184,731</u>	<u>357,417</u>

(c) *Other Non-Financial Assets*

	1999	1998
	\$	\$
Prepayments	48,570	60,842

11. **Equity**

	Capital	Accumulated Results	Total Equity
Balance 1 July 1998	613,295	70,278	683,573
Surplus / (Deficit)		(95,027)	(95,027)
Balance 30 June 1999	<u>613,295</u>	<u>(24,749)</u>	<u>588,546</u>

12. Provisions and Payables

	1999	1998
	\$	\$
(a) <i>Liabilities to Employees</i>		
Salaries and wages	43,758	53,594
Superannuation	8,117	4,475
Annual Leave	229,785	202,999
Long Service Leave	467,349	393,333
Redundancy	114,195	-
Other	3,912	3,568
	<hr/>	<hr/>
Total Liabilities to employees	867,116	657,969
	<hr/>	<hr/>
(b) <i>Liabilities to Suppliers</i>		
Trade creditors	121,626	101,525
	<hr/>	<hr/>

13. Debt

	1999	1998
	\$	\$
(a) <i>Cash</i>		
Bank overdraft	-	11,706
	<hr/>	<hr/>

14. Leave Provisions

	1999	1998
	\$	\$
(a) <i>Current</i>		
Provision for recreation leave	229,785	202,999
Provision for long service leave	351,126	75,000
	<hr/>	<hr/>
Total	580,911	277,999
	<hr/>	<hr/>
(b) <i>Non-Current</i>		
Provision for long service leave	116,223	318,333
	<hr/>	<hr/>
Total	116,223	318,333
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15. 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.

16. Remuneration of Board of Management

Payments of \$201,776 (1997/98 \$170,372) were made for Board of Management remuneration and superannuation and comprise; the Acting Director's salary, superannuation and allowances of \$176,663 (1997/98 \$159,618), travel allowances for Board members \$17,238 (1997/98 \$4,019), superannuation payments for Board members Nil (1997/98 Nil) and per diem fees for Board members \$7,875 (1997/98 \$6,735).

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

	1999	1998
	\$	\$
\$Nil-\$10,000	8	7
\$150,001-\$160,000		1
\$170,001-\$180,000	1	
Total	9	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. The Director is the only officer to receive remuneration in excess of \$100,000 per annum.

17. Related Parties

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

Mrs Susan Bastick. Retired December 1998.

Professor Donald Chalmers. Appointed July 1998.

Professor Robert Gregory, Deputy Presiding Member. Retired September 1998.

Dame Margaret Guilfoyle, Presiding Member.

Dr Sarah Kennedy.

Professor John Mathews. Appointed July 1998.

Professor Steven Schwartz. Appointed July 1998.

Mr John Shelton, Acting Director. To April 1999.

Ms Louise Staley. Appointed July 1998.

Mr David Stanton, Acting Director. Appointed May 1999.

Information in relation to remuneration of Board of Management is disclosed in Note 16. There were no other related party transactions.

18. Financial Instruments

(a) *Terms, conditions and accounting policies*

Financial Instrument

Financial Assets

Deposits at call (Note 9a)

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, from contract work and 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 9b)

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 34.93 days, for all but one bank bill which has been invested for 364 days. Effective interest rates range from 4.70% to 5.01%.

Receivables for Goods and Services (Note 9b)
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 13a)

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 12a and 12b)

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

	1999	1998
	\$	\$
Deposits at Call (Note 9a)		
Floating Interest Rate		
Fixed Interest Rate (1 year or less)	255,103	120,006
Non Interest Bearing	214	89
Total	255,317	120,095
Weighted Average Effective Interest Rate	3.21%	3.83%

Bills of Exchange (Note 9b)		
Floating Interest Rate		
Fixed Interest Rate (1 year or less)	804,821	771,302
Non Interest Bearing		
Total	804,821	771,302
Weighted Average Effective Interest Rate	4.76%	4.73%
Receivables for Goods and Services (Note 9b)		
Floating Interest Rate		
Fixed Interest Rate (1 year or less)		
Non Interest Bearing	136,581	169,203
Total	136,581	169,203
Weighted Average Effective Interest Rate	N/a	N/a
Financial Liabilities		
	1999	1998
	\$	\$
Bank Overdraft (Note 13a)		
Floating Interest Rate		
Fixed Interest Rate (1 year or less)		
Non Interest Bearing	-	11,706
Total	-	11,706
Weighted Average Effective Interest Rate	N/a	N/a
Trade and Other Creditors (Notes 12a and 12b)		
Floating Interest Rate		
Fixed Interest Rate (1 year or less)		
Non Interest Bearing	177,412	163,162
Total	177,412	163,162
Weighted Average Effective Interest Rate	N/a	N/a

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

Financial Assets	Note	1998/99		1997/98	
		Total Carrying Amount	Aggregate Net Fair Value	Total Carrying Amount	Aggregate Net Fair Value
Deposits at Call		255,317	255,317	120,096	120,096
Bills of Exchange		804,821	804,821	771,302	771,302
Receivables of Goods and Services		136,581	136,581	169,203	169,203
Total Financial Assets		1,196,719	1,196,719	1,060,601	1,060,061
Financial Liabilities (Recognised)					
Bank Overdraft		-	-	11,706	11,706
Trade and Other Creditors		177,412	177,412	163,162	163,162
Total Financial Liabilities (Recognised)		177,412	177,412	174,868	174,868

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 1998/99. 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 1999. Contract revenue received into the account, for studies completed prior to 30 June 1998, is reported as an aggregate figure carried over into 1998/99. From 1996/97 actual Institute monies have not been separated physically into the two accounts, so as to consolidate banking practices.

Funds amounting to \$250,000 were paid out of the Research Development Account, (1997/98 \$50,000), to support research work that has no direct external source of funding. Note 5 in the Financial Statements provides a fuller description of these contract funded projects.

	1999 \$	1998 \$
(a) <i>Revenue</i>		
AOATSIHS Parenting Extension (Indigenous Communities)	49,258	49,000
Divorce Transitions Study -Extension	15,000	15,000
Brimbank Family Outreach Consultancy	23,367	-
Carers DSS CATI Survey	88,078	20,000
Family and Neighbourhood Links (ECO & FANL)	72,798	43,221
Lincoln Healthy Behaviours Wave 3	21,800	-
Lincoln Healthy Retirement	12,000	-
Looking after Children (Rotary Fund)	17,500	35,000
Neighbourhoods Project	16,000	
QIAS (Quality Care) Telephone Survey	3,023	10,000
Transgenerational Income Support	33,987	
Youth Suicide Prevention Communications	143,827	178,436
Youth Suicide Prevention Evaluation	103,865	-
Revenue from other studies prior to 30 June 1998		1,360,044
Contract revenue from beginning of reporting period	1,710,701	
Total Research Development Revenue	2,311,204	1,710,701
(b) <i>Expenditure</i>		
Contract salaries	693,459	396,911
Travel expenses and allowances	55,179	26,265
Office requisites and incidentals	26,685	16,862
Postage and telecommunications	69,288	60,688
Building services	8,318	8,318
Library/Data	7,445	5,595
Publishing	132,098	95,610
Dissemination	82,301	35,292
Consultants	281,572	225,816
Equipment and maintenance	27,603	27,603
Transfer from Research Development	505,000	255,000
Total Research Development Expenditure	1,888,948	1,153,960