Department of Education, Employment and Workplace Relations
Financial Statements for 2013–14

 

# INDEPENDENT AUDITOR'S REPORT

**To the Minister for Education**

**To the Minister for Employment**

## Report on the Financial Statements

I have audited the accompanying financial statements of the former Department of Education, Employment and Workplace Relations for the period ended 18 September 2013, which comprise a Statement by the Chief Executive and Chief Finance Officer; the Statement of Comprehensive Income; Statement of Financial Position; Statement of Changes in Equity; Cash Flow Statement; Schedule of Commitments; Schedule of Contingencies; Administered Schedule of Comprehensive Income; Administered Schedule of Assets and Liabilities; Administered Reconciliation Schedule; Administered Cash Flow Statement; Schedule of Administered Commitments; Schedule of Administered Contingencies; and Notes to and forming part of the financial statements comprising a Summary of Significant Accounting Policies and other explanatory information.

### *Chief Executive's Responsibility for the Financial Statements*

The Chief Executive of the Department of Education is responsible for the preparation of financial statements that give a true and fair view in accordance with the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, including the Australian Accounting Standards, and for such internal control as is necessary to enable the preparation of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

My responsibility is to express an opinion on the financial statements based on my audit. I have conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. These auditing standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the department's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Chief Executive of the Department of Education, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### *Independence*

In conducting my audit, I have followed the independence requirements of the Australian National Audit Office, which incorporate the requirements of the Australian accounting profession.

### *Opinion*

In my opinion, the financial statements of the former Department of Education, Employment and Workplace Relations:

(a) have been prepared in accordance with the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, including the Australian Accounting Standards; and

(b) give a true and fair view of the matters required by the Finance Minister's Orders, including the former department's financial position as at 18 September 2013 and its financial performance and cash flows for the period then ended.

## Report on Other Legal and Regulatory Requirements

As disclosed in Note 2 *Events After the Reporting Period*, during the financial year the High Court held in *Williams v Commonwealth [2014] HCA 23* that payments made under the National Schools Chaplaincy and Student Welfare program were invalid on the grounds that they were not supported by a Commonwealth constitutional head of power. The debts arising as a consequence of that decision were waived under section 34(1)(a) of the *Financial Management and Accountability Act 1997*. The total waived by the Minister for Finance was $156.121 million, and included $87.945 million paid by the Department of Education, Employment and Workplace Relations.

Note 33 *Compliance with Statutory Conditions for Payments from the Consolidated Revenue Fund* discloses information on the Department of Education, Employment and Workplace Relations' review of its exposure to risks of not complying with statutory conditions on payments from special appropriations and special accounts, and annual appropriations which fund statutory payments. Non-compliance with statutory conditions may lead to a contravention of section 83 of the Constitution, which requires that no money shall be drawn from the Treasury of the Commonwealth except under an appropriation made by law.

As disclosed in Note 33, 2013–14 payments potentially in breach of section 83 of the Constitution total $1,064,031 under the *Student Assistance Act 1973* and $27,619,159 under the *Social Security Administration Act 1999*.

Australian National Audit Office

John Jones

Executive Director

Delegate of the Auditor-General

Canberra

9 October 2014

# Department of Education, Employment and Workplace Relations

# STATEMENT BY THE CHIEF EXECUTIVE AND CHIEF FINANCE OFFICER

In our opinion, the attached financial statements for the year ended 18 September 2013 are based on properly maintained financial records and give a true and fair view of the matters required by the Finance Minister’s Orders made under the *Financial Management and Accountability Act 1997*, as amended.

Signed

Lisa Paul AO PSM

Chief Executive

Department of Education

Signed

Craig Storen

Department of Education (formerly Chief Finance Officer of the Department of Education, Employment and Workplace Relations)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|   |   | **2014** |   | 2013 |
|   | **Notes** | **$'000** |   | $'000 |
| **NET COST OF SERVICES** |  |  |   |   |
| **EXPENSES** |   |  |   |   |
| Employee benefits | 3A | **91,914** |   | 423,228 |
| Supplier expenses | 3B | **32,152** |   | 184,510 |
| Grants  | 3C | **1,027** |   | 2,913 |
| Depreciation and amortisation | 3D | **14,184** |   | 60,739 |
| Finance costs | 3E | **14** |   | 119 |
| Write-down and impairment of assets | 3F | **17** |   | 1,149 |
| Losses from asset sales | 3G | **13** |   | 288 |
| ***Total expenses*** |   | **139,321** |   | 672,946 |
|   |   |  |   |   |
| **OWN-SOURCE INCOME** |   |  |   |   |
| **Own-source revenue** |   |  |   |   |
| Sale of goods and rendering of services | 4A | **7,446** |   | 45,130 |
| **Total own-source revenue** |   | **7,446** |   | 45,130 |
|   |   |  |   |   |
| **Gains** |   |  |   |   |
| Sale of assets | 4B | **-** |   | 46 |
| Reversals of previous asset write-downs and impairment | 4C | **-** |   | 5 |
| Other gains | 4D | **848** |   | 4,550 |
| **Total gains** |   | **848** |   | 4,601 |
| ***Total own-source income*** |   | **8,294** |   | 49,731 |
|   |   |  |   |   |
| ***Net cost of (contribution by) services***  |   | **131,027** |   | 623,215 |
|   |   |  |   |   |
| Revenue from Government | 4E | **347,040** |   | 563,881 |
| ***Surplus (Deficit) attributable to the Australian Government*** |   | **216,013** |   | (59,334) |
|   |   |  |   |   |
| **OTHER COMPREHENSIVE INCOME** |   |  |   |   |
| **Items not subject to subsequent reclassification to net cost of services** |   |  |   |   |
| Changes to provision for restoration obligations |   | **46**  |   | 47  |
| ***Total other comprehensive income*** |   | **46** |   | 47 |
|   |   |  |   |   |
| ***Total comprehensive income (loss) attributable to the Australian Government*** |   | **216,059** |   | (59,287) |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|   |   | **2014** |   | 2013 |
|   | **Notes** | **$'000** |   | $'000 |
| **ASSETS** |   |   |   |   |
| **Financial Assets** |   |   |   |   |
| Cash and cash equivalents | 6A | **4,613** |   | 21,569 |
| Trade and other receivables | 6B | **352,604** |   | 94,346 |
| Other financial assets | 6C | **6,343** |   | 14,326 |
| **Total financial assets** |   | **363,560** |   | 130,241 |
|   |   |   |   |   |
| **Non-Financial Assets** |   |   |   |   |
| Land and buildings | 7A | **82,512** |   | 85,453 |
| Infrastructure, plant and equipment | 7B | **29,577** |   | 31,290 |
| Intangibles | 7D | **110,693** |   | 112,362 |
| Other non-financial assets | 7F | **27,039** |   | 23,716 |
| **Total non-financial assets** |   | **249,821** |   | 252,821 |
|   |   |  |   |   |
| ***Total assets*** |   | **613,381** |   | 383,062 |
|   |   |  |   |   |
| **LIABILITIES** |   |  |   |   |
| **Payables** |   |  |   |   |
| Suppliers | 8A | **13,397** |   | 37,917 |
| Other payables | 8B | **44,653** |   | 52,296 |
| **Total payables** |   | **58,050** |   | 90,213 |
|   |   |  |   |   |
| **Provisions** |   |  |   |   |
| Employee provisions | 9A | **130,302** |   | 131,932 |
| Other provisions | 9B | **3,390** |   | 3,422 |
| **Total provisions** |   | **133,692** |   | 135,354 |
|   |   |  |   |   |
| ***Total liabilities*** |   | **191,742** |   | 225,567 |
|  |   |  |   |   |
| ***Net assets*** |   | **421,639** |   | 157,495 |
|   |   |  |   |   |
| **EQUITY** |   |  |   |   |
| Contributed equity |   | **408,447** |   | 360,363 |
| Reserves |   | **42,695** |   | 43,353 |
| Retained surplus (accumulated deficit) |   | **(29,503)** |   | (246,221) |
| ***Total equity*** |   | **421,639** |   | 157,495 |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|   | **Retained earnings** | **Asset revaluation reserves** | **Contributed equity/capital** | **Total equity** |
|   | **2014** | 2013 | **2014** | 2013 | **2014** | 2013 | **2014** | 2013 |
|   | **$'000** | $'000 | **$'000** | $'000 | **$'000** | $'000 | **$'000** | $'000 |
| **Opening balance** |   |   |   |   |   |   |   |   |
| Balance carried forward from previous period | **(246,221)** | (186,891) | **43,353** | 44,346  | **360,363** | 312,474  | **157,495** | 169,929 |
| Adjustment for errors1 |  **-** | 4  | **1**  | (1,040) |  |  - | **1** | (1,036) |
| Adjustment for changes in accounting policies |  **-** |  - |  **-** |  - | **-** |  - | **-** | - |
| **Adjusted opening balance** | **(246,221)** | (186,887) | **43,354** | 43,306 | **360,363** | 312,474 | **157,496** | 168,893 |
|   |   |   |   |   |   |   |   |   |
| **Comprehensive income** |  |   |  |   |  |   |  |   |
| Other comprehensive income | **-** | - |  **-** |  - | **-** | - | **-** | - |
| Adjustment to provision for restoration obligations | **-** | - | **46**  | 47  | **-** | - | **46** | 47 |
| Surplus (Deficit) for the period | **216,013** | (59,334) |  **-** |  **-** | **-** | - | **216,013** | (59,334) |
| **Total comprehensive income** | **216,013** | (59,334) | **46** | 47 | **-** | - | **216,059** | (59,287) |
| **Transactions with owners** |  |   |  |   |  |   |  |   |
| **Distributions to owners** |  |   |  |   |  |   |  |   |
| Returns of capital: |  |   |  |   |  |   |  |   |
| Restructuring (Note 10) |  **-** |  - |  **-** |  - | **-** | (1,777) | **-** | (1,777) |
| **Contributions by owners** |  |   |  |   |  |   |  |   |
| Equity injection - Appropriation |  **-** |   |  **-** |  - | **2,672** | 5,607  | **2,672** | 5,607 |
| Departmental capital budget |  **-** |  - |  **-** |  - | **45,412** | 45,094  | **45,412** | 45,094 |
| Return of Unspent Appropriation |  **-** |  - |  **-** |  - | **-** | (1,035) | **-** | (1,035) |
| Restructuring  |  **-** |  - |  **-** |  - | **-** |  - | **-** | - |
| **Total transactions with owners** | **-** | - | **-** | - | **48,084** | 47,889 | **48,084** | 47,889 |
| Transfers between equity components2 | **705**  |  - | **(705)** |  - | **-** |  - | **-** | - |
| **Closing balance as at 18 September** | **(29,503)** | (246,221) | **42,695** | 43,353 | **408,447** | 360,363 | **421,639** | 157,495 |

1 The adjustment to the assets revaluation reserves relates to assets that were incorrectly re-valued and are no longer assets of the department as at 1 July 2012.

2 The reclassification of equity components relates to an impairment of leasehold improvements in 2011-12 that should have been offset against asset revaluation reserves rather than an impairment expense as per 2012 Note 3F: Write-down and impairments of assets as the asset had been revalued.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|   |   | **2014** |   | 2013 |
|   | **Notes** | **$'000** |   | $'000 |
|   |   |   |   |   |
| **OPERATING ACTIVITIES** |   |   |   |   |
| **Cash received** |   |   |   |   |
| Appropriations |   | **139,921**  |   | 634,229  |
| Sale of goods and rendering of services |   | **6,757**  |   | 27,294  |
| Net GST received |   | **7,336**  |   | 21,245  |
| Other |   | **9**  |   | 6,205  |
| **Total cash received** |   | **154,023** |   | 688,973 |
|  |   |  |   |   |
| **Cash used** |   |   |   |   |
| Employee benefits |   | **94,220**  |   | 422,820  |
| Supplier expenses |   | **69,950**  |   | 202,423  |
| Grants |   | **1,068**  |   | 2,913  |
| Section 31 receipts transferred to the OPA |   | **3,473**  |   | 42,117  |
| **Total cash used** |   | **168,711** |   | 670,273 |
|  |   |  |   |   |
| ***Net cash from (used by) operating activities*** | 11 | **(14,688)** |   | 18,700 |
|   |   |   |   |   |
| **INVESTING ACTIVITIES** |   |   |   |   |
| **Cash received** |   |   |   |   |
| Proceeds from sales of infrastructure, plant and equipment |   | **6**  |   | 26  |
| Proceeds from sales of land and buildings |   |  **-** |   | 302  |
| **Total cash received** |   | **6** |   | 328 |
|   |   |   |   |   |
| **Cash used** |   |   |   |   |
| Purchase of infrastructure, plant and equipment |   | **1,009**  |   | 7,196  |
| Purchase / development of intangibles |   | **6,606**  |   | 36,802  |
| Purchase of land and buildings |   | **256**  |   | 1,341  |
| **Total cash used** |   | **7,871** |   | 45,339 |
|  |   |  |   |   |
| ***Net cash from (used by) investing activities*** |   | **(7,865)** |   | (45,011) |
|   |   |   |   |   |
| **FINANCING ACTIVITIES** |   |   |   |   |
| **Cash received** |   |   |   |   |
| Contributed equity - capital injections |   |  **-** |   | 5,607  |
| Contributed equity - capital budget |   | **5,597**  |   | 39,733  |
| **Total cash received** |   | **5,597** |   | 45,340 |
|  |   |  |   |   |
| ***Net cash from (used by) financing activities*** |   | **5,597** |   | 45,340 |
|   |   |   |   |   |
| ***Net increase (decrease) in cash held*** |   | **(16,956)** |   | 19,029 |
| Cash and cash equivalents at the beginning of the reporting period |   | **21,569**  |   | 2,540  |
| ***Cash and cash equivalents at the end of the reporting period*** | 6A | **4,613** |   | 21,569 |

|  |  |  |  |
| --- | --- | --- | --- |
|   | **2014** |   | 2013 |
| **BY TYPE** | **$'000** |   | $'000 |
| **Commitments receivable** |   |   |   |
| Sublease rental income1 | **(27,419)** |   | (29,095) |
| Net GST recoverable on commitments | **(45,889)** |   | (47,700) |
| **Total commitments receivable** | **(73,308)** |   | (76,795) |
|   |   |   |   |
| **Commitments payable** |   |   |   |
| Operating leases1 | **471,744**  |   | 485,661  |
| IT commitments2 | **44,227**  |   | 47,995  |
| Research and development | **31**  |   | 40  |
| Other3 | **23,647**  |   | 26,605  |
| **Total other commitments payable** | **539,649** |   | 560,301 |
| ***Net commitments by type*** | **466,341** |   | 483,506 |
|   |   |   |   |
| **BY MATURITY** |   |   |   |
| **Commitments receivable** |   |   |   |
| Within 1 year | **(12,609)** |   | (16,096) |
| Between 1 to 5 years | **(37,357)** |   | (37,357) |
| More than 5 years | **(23,342)** |   | (23,342) |
| **Total commitments receivable** | **(73,308)** |   | (76,795) |
|   |   |   |   |
| **Commitments payable** |   |   |   |
| **Operating lease commitments**1 |   |   |   |
| Within 1 year | **64,231**  |   | 64,231  |
| Between 1 to 5 years | **197,496**  |   | 197,496  |
| More than 5 years | **210,017**  |   | 223,934  |
| **Total operating lease commitments** | **471,744** |   | 485,661 |
|   |   |   |   |
| **IT commitments**2 |   |   |   |
| Within 1 year | **17,389**  |   | 17,389  |
| Between 1 to 5 years | **26,838**  |   | 30,531  |
| More than 5 years |  **-** |   | 75  |
| **Total IT commitments** | **44,227** |   | 47,995 |
|   |   |   |   |
| **Research and development commitments** |   |   |   |
| Within 1 year | **31**  |   | 40  |
| Between 1 to 5 years |  **-** |   |  - |
| **Total research and development commitments** | **31** |   | 40 |
|   |   |   |   |
| **Other commitments**3 |  |   |   |
| Within 1 year | **13,654**  |   | 13,654  |
| Between 1 to 5 years | **9,993**  |   | 12,951  |
| **Total other commitments** | **23,647** |   | 26,605 |
| ***Net commitments by maturity*** | **466,341** |   | 483,506 |

NB: Commitments are GST inclusive where relevant. The maturity range ‘within 1 year’ shows the period 19 September 2013 to 30 June 2014.

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

|  |  |
| --- | --- |
| Nature of lease | General description of leasing arrangement |
| Leases for office accommodation | Lease payments are subject to periodic market value or indexed increases. |
| Sub lease revenue for office accommodation | Vacant office space is sub leased where possible. The total of future minimum lease payments expected to be received over the next five years is $24,329,381(2013: $25,812,561) including GST. |
| Agreement for provision of motor vehicles to senior executive officers | No contingent rentals exist. There are no renewal or purchase options available to the department. |

2 IT commitments include contracts for data services, IT software licensing and hardware maintenance agreements.

3 Other commitments include a range of contracts such as fees for provision of services.

|  |  |  |  |
| --- | --- | --- | --- |
|   | **2014** |   | 2013 |
|   | **$'000** |   | $'000 |
| **Contingent liabilities** |   |   |   |
| Claims for damages or costs | **244**  |   | 294  |
| **Total contingent liabilities** | **244** |   | 294 |
| ***Net contingent assets (liabilities)*** | **(244)** |   | (294) |

Details of each class of contingent liabilities and contingent assets listed above are disclosed in Note 12: Contingent Assets and Liabilities, along with information on significant remote contingencies and contingencies that cannot be quantified.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|   |   | **2014** |   | 2013 |
|   | **Notes** | **$'000** |   | $'000 |
| **NET COST OF SERVICES** |  |  |   |   |
| **EXPENSES** |   |   |   |   |
| Supplier expenses | 17A | **469,025** |   | 2,331,808 |
| Subsidies | 17B | **29,408** |   | 240,227 |
| Personal benefits | 17C | **4,784,618** |   | 20,283,124 |
| Grants  | 17D | **2,272,968** |   | 9,205,453 |
| Finance costs | 17E | **-** |   | 47 |
| Write-down and impairment of assets | 17F | **21,222** |   | 3,817 |
| Payment to CAC Act bodies | 17G | **6,291** |   | 6,280 |
| ***Total expenses administered on behalf of Government*** |   | **7,583,532** |   | 32,070,756 |
|   |   |  |   |   |
| **INCOME** |   |   |   |   |
| **Revenue** |   |   |   |   |
| **Taxation revenue** |   |   |   |   |
| Other taxes | 18A | **21,039** |   | 172,567 |
| **Total taxation revenue** |   | **21,039** |   | 172,567 |
|   |   |  |   |   |
| **Non-taxation revenue** |   |  |   |   |
| Interest | 18B | **695** |   | 1,527 |
| Commonwealth asset recoveries | 18C | **2,309** |   | 37,230 |
| Other revenue | 18D | **146,660** |   | 29,022 |
| **Total non-taxation revenue** |   | **149,664** |   | 67,779 |
| ***Total own-source revenue***  |   | **170,703** |   | 240,346 |
|   |   |   |   |   |
| **Gains** |   |   |   |   |
| Fair value gains from financial instruments | 18E | **-** |   | 29,134 |
| Reversals of previous asset write-downs and impairment | 18F | **-** |   | 19,205 |
| ***Total gains***  |   | **-** |   | 48,339 |
| **Total own-source income administered on behalf of Government** |   | **170,703** |   | 288,685 |
|   |   |   |   |   |
| **Net cost of (contribution by) services**  |   | **7,412,829** |   | 31,782,071 |
| **Surplus (Deficit)**  |   | **(7,412,829)** |   | (31,782,071) |
|   |   |   |   |   |
| **OTHER COMPREHENSIVE INCOME** |   |   |   |   |
| **Items not subject to subsequent reclassification to net cost of services** |   |   |   |   |
| Changes in asset revaluation surplus |   | **116,725** |   | (37,572) |
| **Total other comprehensive income (loss)** |   | **116,725** |   | (37,572) |
|   |   |   |   |   |
| ***Total comprehensive income (loss)*** |   | **(7,296,104)** |   | (31,819,643) |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|   |   | **2014** |   | 2013 |
|   | **Notes** | **$'000** |   | $'000 |
| **ASSETS** |   |   |   |   |
| **Financial assets** |   |   |   |   |
| Cash and cash equivalents | 20A | **139,495** |   | 2,118 |
| Receivables | 20B | **1,215,380** |   | 1,345,773 |
| Other investments | 20C | **123,712** |   | 6,987 |
| **Total financial assets** |   | **1,478,587** |   | 1,354,878 |
|   |   |   |   |   |
| **Non-financial assets** |   |   |   |   |
| Other non-financial assets | 21A | **68,173** |   | 3,493 |
| **Total non-financial assets** |   | **68,173** |   | 3,493 |
|   |   |  |   |   |
| **Total assets administered on behalf of Government** |   | **1,546,760** |   | 1,358,371 |
|   |   |  |   |   |
| **LIABILITIES** |   |  |   |   |
| **Payables** |   |  |   |   |
| Suppliers | 22A | **59,478** |   | 145,279 |
| Subsidies | 22B | **8,024** |   | 32,349 |
| Personal benefits | 22C | **527,046** |   | 478,356 |
| Grants | 22D | **13,799** |   | 43,084 |
| Other payables | 22E | **2,807,241** |   | 2,827,840 |
| **Total payables** |   | **3,415,588** |   | 3,526,908 |
|  |   |  |   |   |
| **Provisions** |   |  |   |   |
| Provision of personal benefits | 23A | **624,484** |   | 742,404 |
| **Total provisions** |   | **624,484** |   | 742,404 |
|   |   |  |   |   |
| **Total liabilities administered on behalf of Government** |   | **4,040,072** |   | 4,269,312 |
|   |   |  |   |   |
| **Net assets (liabilities)** |   | **(2,493,312)** |   | (2,910,941) |

|  |  |  |  |
| --- | --- | --- | --- |
|   | **2014** |  | 2013 |
|   | **$'000** |  | $'000 |
| **Opening assets less liabilities as at 1 July** | **(2,910,941)** |  | (2,549,581) |
| Adjustment for errors |  **-** |  |  **-** |
| Adjustment for changes in accounting policies |  **-** |  |  - |
| **Adjusted opening assets less liabilities** | **(2,910,941)** |  | (2,549,581) |
| Net cost of (contribution by) services |  |  |   |
| Income | **170,703** |   | 288,685 |
| Expenses |  |   |   |
| Payments to Non-CAC Act bodies | **(7,577,241)** |  | (32,064,476) |
| Payments to CAC Act bodies | **(6,291)** |   | (6,280) |
| **Other comprehensive income** |  |  |   |
| Revaluations transferred to (from) reserves | **116,725**  |  | (37,572) |
| **Transfers (to) from the Australian Government** |   |   |   |
| Appropriation transfers from Official Public Account |   |   |   |
| Annual appropriations |   |   |   |
| Payments to Non-CAC Act bodies | **778,810**  |  | 3,506,182  |
| Payments to CAC Act bodies | **6,291**  |  | 6,300  |
| Special appropriations (limited) |   |   |   |
| Payments to Non-CAC Act bodies | **164,276**  |  | 149,654  |
| Payments to CAC Act bodies |  **-** |  |  - |
| Special appropriations (unlimited) |   |   |   |
| Payments to Non-CAC Act bodies | **7,076,100**  |  | 28,995,853  |
| Payments to CAC Act bodies | **16,637**  |  | 67,551  |
| Appropriation transfers to OPA | **(305,369)** |  | (1,267,259) |
| Restructuring  |  **-** |  |  - |
| Withholdings | **(23,297)** |  |  |
| Other movements | **285**  |  | 2  |
| ***Closing assets less liabilities as at 18 September*** | **(2,493,312)** |  | (2,910,941) |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|   |  | **2014** |   | 2013 |
|   | **Notes** | **$'000** |   | $'000 |
| **OPERATING ACTIVITIES** |  |   |   |   |
| **Cash received** |   |   |   |   |
| Interest |   | **692**  |   | 759  |
| Net GST received |   | **278,476**  |   | 1,296,531  |
| Levies |   | **42,216**  |   | 172,567  |
| Other |   | **191,275**  |   | 214,270  |
| **Total cash received** |   | **512,659** |   | 1,684,127 |
|  |   |   |   |   |
| **Cash used** |   |   |   |   |
| Suppliers |   | **874,990**  |   | 3,460,537  |
| Subsidies |   | **53,733**  |   | 239,906  |
| Personal benefits |   | **4,790,339**  |   | 20,294,687  |
| Grants |   | **2,302,253**  |   | 9,055,698  |
| Interest |   |  **-** |   | 34  |
| Payments to CAC Act bodies |   | **6,291**  |   | 6,280  |
| **Total cash used** |   | **8,027,606** |   | 33,057,142 |
| ***Net cash flows from (used by) operating activities*** |  24  | **(7,514,947)** |   | (31,373,015) |
|   |   |   |   |   |
| **INVESTING ACTIVITIES** |   |   |   |   |
| **Cash received** |   |   |   |   |
| **Repayments of advances and loans** |   |   |   |   |
| Repayments of advances and loans |   | **17,551**  |   | 200,419  |
| **Total cash received** |   | **17,551** |   | 200,419 |
| **Cash used** |   |   |   |   |
| Loans made |   | **59,552**  |   | 284,099  |
| **Total cash used** |   | **59,552** |   | 284,099 |
| ***Net cash flows from (used by) investing activities*** |   | **(42,001)** |   | (83,680) |
|   |   |   |   |   |
| **Net increase (decrease) in cash held** |   | **(7,556,948)** |   | (31,456,695) |
|   |   |   |   |   |
| Cash and cash equivalents at the beginning of the reporting period |   | **58**  |   | 15  |
|   |   |   |   |   |
| **Cash from Official Public Account**  |   |   |   |   |
| Appropriations |   | **7,847,598**  |   | 32,725,540  |
| GST appropriations |   | **255,494**  |   | 306,020  |
| Special accounts |   | **348**  |   | 654  |
| **Total cash from official public account** |   | **8,103,440** |   | 33,032,214 |
|   |   |   |   |   |
| **Cash to Official Public Account**  |   |   |   |   |
| Appropriations |   | **(130,291)** |   | (1,267,259) |
| Return of GST appropriations |   | **(278,476)** |   | (307,329) |
| Special accounts |   | **(137,225)** |   | (888) |
| **Total cash to official public account** |   | **(545,992)** |   | (1,575,476) |
|   |   |   |   |   |
| **Cash and cash equivalents at the end of the reporting period** | 20A | **558** |   | 58 |

|  |  |  |  |
| --- | --- | --- | --- |
|   | **2014** |   | 2013 |
| **BY TYPE** | **$'000** |   | $'000 |
| **Commitments receivable** |   |   |   |
| Net GST recoverable on commitments | **(7,343,096)** |   | (7,591,420) |
| ***Total commitments receivable*** | **(7,343,096)** |   | (7,591,420) |
|   |   |   |   |
| **Commitments payable** |   |   |   |
| **Other commitments** |   |   |   |
| Employment programmes | **7,056,185**  |   | 7,649,171  |
| Goods and services1 | **269,146**  |   | 312,169  |
| Grants | **455,375**  |   | 549,966  |
| Legislative obligations2 | **109,973,138**  |   | 112,134,857  |
| Other | **67**  |   | 85  |
| ***Total other commitments*** | **117,753,911** |   | 120,646,248 |
| ***Net commitments by type*** | **110,410,815** |   | 113,054,828 |
|   |   |   |   |
| **BY MATURITY** |   |   |   |
| **Commitments receivable** |   |   |   |
| Within 1 year | **(897,785)** |   | (1,146,109) |
| Between 1 to 5 years | **(4,569,814)** |   | (4,569,814) |
| More than 5 years | **(1,875,497)** |   | (1,875,497) |
| ***Total commitments receivable*** | **(7,343,096)** |   | (7,591,420) |
|   |   |   |   |
| **Commitments payable** |   |   |   |
| **Other Commitments** |   |   |   |
| Within 1 year | **12,118,041**  |   | 15,010,378  |
| Between 1 to 5 years | **72,844,563**  |   | 72,844,563  |
| More than 5 years | **32,791,307**  |   | 32,791,306  |
| ***Total other commitments*** | **117,753,911** |   | 120,646,247 |
| ***Net commitments by maturity*** | **110,410,815** |   | 113,054,827 |

|  |
| --- |
|  |
| NB: All commitments are GST inclusive where relevant. The maturity range ‘within 1 year’ shows the period 19 September 2013 to 30 June 2014. The value of commitments is determined based on expected value of services contracted, but yet to be performed under the agreement.1 Goods and services contracts include amounts relating to consultancies. 2 Legislative obligations relate to amounts specified in the legislation where a funding determination has not yet been made. The legislation comprises the *Australian Education Act 2013,* the *Schools Assistance Act 2008* and the *Indigenous Education (Targeted Assistance) Act 2000*.  |

|  |  |  |  |
| --- | --- | --- | --- |
|   | **2014** |   | 2013 |
|   | **$'000** |   | $'000 |
| **Contingent assets** |   |   |   |
| Claims for damages or costs | **17,561**  |   | 19,928  |
| **Total contingent assets** | **17,561** |   | 19,928 |
|   |   |   |   |
| **Contingent liabilities** |   |   |   |
| Claims for damages or costs | **90,127**  |   | 74,174  |
| **Total contingent liabilities** | **90,127** |   | 74,174 |
| ***Net contingent assets (liabilities)*** | **(72,566)** |   | (54,246) |

|  |
| --- |
| Details of each class of contingent assets and liabilities in the above table are disclosed in Note 25: Administered Contingent Assets and Liabilities, along with information on significant remote contingencies and contingences that cannot be quantified. |