Financial statements

FINANCIAL STATEMENTS
FOR PERIOD ENDED 30 June 2014

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Australian National
Audit Office

INDEPENDENT AUDITOR'S REPORT

To the Attorney-General

I have audited the accompanying financial statements of the Administrative Appeals Tribunal for the year ended 30 June 2014, which comprise: a Statement by the Chief Executive and Chief Financial Officer; 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 Administrative Appeals Tribunal 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 Administrative Appeals Tribunal'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 Administrative Appeals Tribunal'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 Administrative

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Appeals Tribunal, 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 Administrative Appeals Tribunal:

(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 Administrative Appeals Tribunal's financial position as at 30 June 2014 and its financial performance and cash flows for the year then ended.

Australian National Audit Office

Colin Bienke

Colin Bienke

Senior Director
Delegate of the Auditor-General

Canberra
1 September 2014

ADMINISTRATIVE APPEALS TRIBUNAL

STATEMENT BY THE CHIEF EXECUTIVE AND CHIEF FINANCIAL OFFICER

In our opinion, the attached financial statements for the year ended 30 June 2014 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.

PHILIP KELLOW
Chief Executive

1 September 2014

MICHAEL BINNINGTON
Chief Financial Officer

1 September 2014

ADMINISTRATIVE APPEALS TRIBUNAL

Statement of Comprehensive Income
for the period ended 30 June 2014

	Notes	2014 $'000	2013 $'000
NET COST OF SERVICES			
Expenses			
Employee benefits	3A	**23,787**	23,066
Suppliers	3B	**12,776**	12,809
Depreciation and amortisation	3C	**2,125**	1,928
Total expenses		**38,688**	37,803
Own-Source Income			
Own-source revenue			
Sale of goods and rendering of services	4A	**2,069**	2,039
Total own-source revenue		**2,069**	2,039
Gains			
Other	4B	**1,534**	1,378
Total gains		**1,534**	1,378
Total own-source income		**3,603**	3,417
Net cost of services		**35,085**	34,386
Revenue from Government	4C	**34,398**	33,077
Deficit attributable to the Australian Government		**(687)**	(1,309)
OTHER COMPREHENSIVE INCOME			
Items not subject to subsequent reclassification to profit or loss			
Changes in asset revaluation surplus	7	**229**	-
Total other comprehensive income		**229**	-
Total comprehensive loss attributable to the Australian Government		**(458)**	(1,309)

The above statement should be read in conjunction with the accompanying notes.

ADMINISTRATIVE APPEALS TRIBUNAL

Statement of Financial Position
as at 30 June 2014

	Notes	2014 $'000	2013 $'000
ASSETS			
Financial Assets			
Cash and cash equivalents	6A	**377**	418
Trade and other receivables	6B	**13,677**	12,515
Total financial assets		**14,054**	12,933
Non-Financial Assets			
Leasehold improvements	7A,C	**3,478**	3,356
Plant and equipment	7B,C	**1,537**	1,923
Intangibles	7D,E	**112**	152
Other non-financial assets	7F	**234**	413
Total non-financial assets		**5,361**	5,844
Total Assets		**19,415**	18,777
LIABILITIES			
Payables			
Suppliers	8A	**1,308**	1,409
Other payables	8B	**1,320**	1,595
Total payables		**2,628**	3,004
Provisions			
Employee provisions	9A	**6,418**	5,762
Other provisions	9B	**230**	480
Total provisions		**6,648**	6,242
Total liabilities		**9,276**	9,246
Net assets		**10,139**	9,531
EQUITY			
Parent Entity Interest			
Contributed equity		**4,676**	3,610
Reserves		**3,600**	3,821
Retained surplus		**1,863**	2,100
Total parent entity interest		**10,139**	9,531
Total Equity		**10,139**	9,531

The above statement should be read in conjunction with the accompanying notes.

ADMINISTRATIVE APPEALS TRIBUNAL

Statement of Changes in Equity
for the period ended 30 June 2014

	Retained earnings		Asset revaluation surplus		Contributed equity/capital		Total equity	
	2014 $'000	2013 $'000	**2014 $'000**	2013 $'000	**2014 $'000**	2013 $'000	**2014 $'000**	2013 $'000
Opening balance								
Balance carried forward from previous period	**2,100**	3,409	**3,821**	3,821	**3,610**	3,145	**9,531**	10,375
Comprehensive income								
Other comprehensive income	**-**	-	**229**	-	**-**	-	**229**	-
Deficit for the period	**(687)**	(1,309)	**-**	-	**-**	-	**(687)**	(1,309)
Total comprehensive income	**(687)**	(1,309)	**229**	-	**-**	-	**(458)**	(1,309)
Of which: Attributable to the Australian Government	**(687)**	(1,309)	**-**	-	**-**	-	**(458)**	(1,309)
Transactions with owners								
Contribution by owners								
Departmental capital budget	**-**	-	**-**	-	**1,066**	465	**1,066**	465
Total transactions with owners	**-**	-	**-**	-	**1,066**	465	**1,066**	465
Transfers between equity components	**450**	-	**(450)**	-	**-**	-	**-**	-
Closing balance as at 30 June	**1,863**	2,100	**3,600**	3,821	**4,676**	3,610	**10,139**	9,531

The above statement should be read in conjunction with the accompanying notes.

ADMINISTRATIVE APPEALS TRIBUNAL

Cash Flow Statement
for the period ended 30 June 2014

	Notes	2014 $'000	2013 $'000
OPERATING ACTIVITIES			
Cash received			
Appropriations		**33,159**	32,042
Sales of goods and rendering of services		**2,146**	1,939
Net GST received		**1,215**	919
Total cash received		**36,520**	34,900
Cash used			
Employees		**(22,922)**	(22,244)
Suppliers		**(12,900)**	(12,638)
Total cash used		**(35,822)**	(34,882)
Net cash from operating activities	10	**698**	18
INVESTING ACTIVITIES			
Cash used			
Purchase of plant and equipment		**(1,805)**	(348)
Total cash used		**(1,805)**	(348)
Net cash used by investing activities		**(1,805)**	(348)
FINANCING ACTIVITIES			
Cash received			
Contributed equity		**1,066**	465
Total cash received		**1,066**	465
Net cash from financing activities		**1,066**	465
Net increase in cash held		**(41)**	135
Cash and cash equivalents at the beginning of the reporting period		**418**	283
Cash and cash equivalents at the end of the reporting period	6A	**377**	418

The above statement should be read in conjunction with the accompanying notes.

ADMINISTRATIVE APPEALS TRIBUNAL

Schedule of Commitments
as at 30 June 2014

	2014 $'000	2013 $'000
BY TYPE		
Commitments receivable		
Net GST recoverable on commitments	**(975)**	(1,139)
Total commitments receivable	**(975)**	(1,139)
Commitments payable		
Other commitments		
Operating leases [1]	**10,679**	12,465
Other	**48**	65
Total other commitments	**10,727**	12,530
Total commitments payable	**10,727**	12,530
Net commitments by type	**9,752**	11,391
BY MATURITY		
Commitments receivable		
Net GST recoverable on commitments[1]		
One year or less	**(431)**	(446)
From one to five years	**(342)**	(693)
Over five years	**(202)**	-
Total commitments receivable	**(975)**	(1,139)
Commitments payable		
Operating lease commitments		
One year or less	**4,698**	4,843
From one to five years	**3,757**	7,622
Over five years	**2,224**	-
Total operating lease commitments	**10,679**	12,465
Other commitments		
One year or less	**48**	65
From one to five years	**-**	-
Over five years	**-**	-
Total other commitments	**48**	65
Total commitments payable	**10,727**	12,530
Net commitments by maturity	**9,752**	11,391

Commitments are GST inclusive where relevant.

Note:

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

– Leases for office accommodation.

The entity in its capacity as lessee holds commercial office accommodation leases where lease payments by the Tribunal are subject to fixed or market review increases as listed in the lease agreements. All commercial office accommodation leases are current and most have a 5 year extension option available to the Tribunal following a review of rentals to current market. A replacement Canberra lease has recently been negotiated for a 10 year term and all other commercial leases are due to be renegotiated or extended by July 2016. An arrangement equivalent to commercial office accommodation leases is presently being negotiated in relation to Commonwealth owned law courts accommodation in Brisbane and Hobart and no commitment is recognised at this time.

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

ADMINISTRATIVE APPEALS TRIBUNAL

Schedule of Contingencies
as at 30 June 2014

There are no quantifiable contingent assets or liabilities as at 30 June 2014 (2013: Nil). Refer to Note 12 for details of any unquantifiable or remote contingent assets or contingent liabilities.

Administered Schedule of Comprehensive Income
for the period ended 30 June 2014

	Notes	2014 $'000	2013 $'000
NET COST OF SERVICES			
Expenses			
Refund of application fees		**368**	279
Total expenses		**368**	279
Own-Source Income			
Non-taxation revenue			
Application fees		**887**	771
Total non-taxation revenue		**887**	771
Total own-source revenue		**887**	771
Net contribution by services		**(519)**	(492)
Surplus after income tax		**519**	492
Other comprehensive income		**-**	-
Total comprehensive income		**519**	492

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

Administered Schedule of Assets and Liabilities
as at 30 June 2014

	Notes	2014 $'000	2013 $'000
ASSETS			
Financial Assets			
Cash and cash equivalents	16A	**6**	3
Total financial assets		**6**	3
Total Assets administered on behalf of Government		**6**	3
Net assets		**6**	3

The above statement should be read in conjunction with the accompanying notes.

Administered Reconciliation Schedule

	2014 **$'000**	2013 $'000
Opening assets less liabilities as at 1 July	3	-
Net (cost of)/contribution by services		
Income	887	771
Expenses		
Payments to Non-CAC Act bodies	(368)	(279)
Transfers to/ from the Australian Government		
Appropriation transfers from Official Public Account		
Special appropriations (limited) s28 refunds		
Payments to Non-CAC Act bodies	368	279
Appropriation transfers to OPA		
Transfers to OPA	(884)	(768)
Closing assets less liabilities as at 30 June	**6**	3

The above statement should be read in conjunction with the accompanying notes.

Administered Cash Flow Statement
for the period ended 30 June 2014

	2014 $'000	2013 $'000
OPERATING ACTIVITIES		
Cash received		
Application fees	**887**	771
Total cash received	**887**	771
Cash used		
Refund of application fees	**(368)**	(279)
Total cash used	**(368)**	(279)
Net cash flows from operating activities	**519**	492
Net Increase in Cash Held	**519**	492
Cash and cash equivalents at the beginning of the reporting period	**3**	-
Cash from Official Public Account for:		
– Appropriations	**368**	279
Cash to Official Public Account for:		
– Appropriations	**(884)**	(768)
Cash and cash equivalents at the end of reporting period	**6**	3

This schedule should be read in conjunction with the accompanying notes

Schedule of Administered Commitments
as at 30 June 2014

There were no administered commitments as at 30 June 2014 (2013: Nil).

Schedule of Administered Contingencies
as at 30 June 2014

There were no administered contingencies as at 30 June 2014 (2013: Nil).

Notes to and forming part of the financial statements

ADMINISTRATIVE APPEALS TRIBUNAL

Note 1: Summary of Significant Accounting Policies

1.1 Objectives of the Tribunal

The Administrative Appeals Tribunal (the Tribunal) is an Australian Government controlled entity. It is a not for profit entity. The objective and sole outcome of the Tribunal is to provide independent review on merit of a wide range of administrative decisions of the Australian Government so as to ensure in each case the correct or preferable decision is made.

The continued existence of the Tribunal in its present form and with its present programs is dependent on Government policy and on continuing funding by Parliament for the Tribunal's administration and programs.

Tribunal activities contributing toward this outcome are classified as either departmental or administered. Departmental activities involve the use of assets, liabilities, income and expenses controlled or incurred by the Tribunal in its own right. Administered activities involve the management or oversight by the Tribunal, on behalf of the Government, of items controlled or incurred by the Government.

The Tribunal's administered activities on behalf of the Government are generally limited to collection and refund of application fees as prescribed by the *Administrative Appeals Tribunal Act 1975 and Regulations 1976*. Additional administered revenues may be remitted by the Tribunal to Government where there is no right for the Tribunal to retain the revenue as Departmental revenue.

1.2 Basis of Preparation of the Financial Statements

The financial statements are general purpose financial statements and are required by section 49 of the *Financial Management and Accountability Act 1997*.

The financial statements and notes have been prepared in accordance with:

- Finance Minister's Orders (FMOs) for reporting periods ending on or after 1 July 2011; and
- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

The financial statements have been prepared on a going-concern basis after consideration of the proposed amalgamation of various Tribunals announced by the Government in the 2014-15 Commonwealth budget. In the 2014-15 Commonwealth budget the Government announced it will amalgamate all of the Commonwealth merits review tribunals with the exception of the Veterans Review Board, from 1 July 2015. The amalgamated body will take on the functions of the Administrative Appeals Tribunal, the Social Security Appeals Tribunal, the Refugee Review Tribunal and Migration Review Tribunal, and the Classification Review Board.

Whilst the form of the amalgamation is unclear as at the reporting date, it is expected that there will be the orderly transfer of any assets and liabilities that are transferred between agencies or to a new entity which will be at values based on a going concern basis as is normal practice in machinery of Government changes.

The Tribunal has secured funding from Government appropriations for the 2014-15 financial year which, together with undrawn funding at the date of the financial statements, will ensure that the Tribunal is in a position to service their debts as they become due and payable until the proposed date of amalgamation.

The financial statements are presented in Australian dollars and values are rounded to the nearest thousand dollars unless otherwise specified.

Unless alternative treatment is specifically required by an accounting standard or the FMOs, assets and liabilities are recognised in the statement of financial position when and only when it is probable that future economic benefits will flow to the Tribunal or a future sacrifice of economic benefits will be required and the amounts of the assets or liabilities can be reliably measured. However, assets and liabilities arising under executory contracts are not recognised unless required by an accounting standard. Liabilities and assets that are unrecognised are reported in the schedule of commitments or the schedule of contingencies.

Unless alternative treatment is specifically required by an accounting standard, income and expenses are recognised in the Statement of Comprehensive Income when and only when the flow, consumption or loss of economic benefits has occurred and can be reliably measured.

1.3 Significant Accounting Judgements and Estimates

In the process of applying the accounting policies listed in this note, the Tribunal has made the following judgements that have the most significant impact on the amounts recorded in the financial statements:

- the fair value of property, plant and equipment has been taken to be the fair value of similar assets as determined by an independent valuer;
- the provision for restoration of premises to their original condition at the conclusion of the lease has been taken to be the present value of this obligation as determined by an independent valuer; and
- the employee benefits provisions have been estimated in accordance with AASB 119 Employee Benefits and reflect the expected value of those benefits.

No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard Requirements

No accounting standard has been adopted earlier than the application date as stated in the standard.

The following amending standard, issued prior to the sign-off date, were applicable to the current reporting period and had a financial impact on the entity:

- **AASB 13 Fair Value Measurement and AASB 2011–8 *Amendments to Australian Accounting Standards arising from AASB 13*** (effective 1 January 2013)

  AASB 13 was released in September 2011. It explains how to measure fair value and aims to enhance fair value disclosures. To facilitate this AASB 13 outlines how to measure fair value, but does not specify when it should be applied. Guidance on when fair value measurements are to be applied is specified in other standards. AASB 13 defines fair value as ‘the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date’. This value would not factor in entity specific intentions for the asset (e.g. whether the entity intends to hold or sell the asset).

  Key features included in AASB 13 are: the requirement to value non-financial assets at their highest and best use; identification of a principal (or most advantageous) market; and disclosure of all fair value measurements based on the fair value hierarchy. AASB 13 also introduces additional disclosures. It extends the fair value hierarchy disclosures previously required for financial instruments alone to all assets and liabilities carried at fair value.

- **Revised AASB 119 Employee Benefits, AASB 2011–10 *Amendments to Australian Accounting Standards arising from AASB 119 (September 2011)* and AASB 2011–11 *Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements*** (effective 1 January 2013)

  In September 2011, the AASB released a revised standard on accounting for employee benefits. Key changes made to the accounting requirements include:

  - the revised AASB 119 Employee Benefits introduces a single approach for the recognition and measurement of defined benefit plans. Previously, entities were permitted a number of measurement options, including the ability to defer some gains/losses into future periods via the corridor approach. Under the revised AASB 119, gains/losses are recognised in the period in which they occur, with actuarial changes recognised in other comprehensive income. Service costs are recognised in the profit or loss, including past service costs arising from a plan amendment, curtailment or settlement. Financing income/expense is also recognised in the profit or loss depending on whether the overall plan is in a surplus or deficit position. Any return on plan assets in excess of the discount rate is recognised in other comprehensive income;

  - disclosure requirements were also revised and include disclosure of fair value information for plan assets, sensitivity analysis for major assumptions and descriptions of the risks associated with the plan;

  - the recognition rules and definitions related to termination benefits have been revised, which could impact when entities recognise termination expenses within their financial statements;

  - short-term employee benefits are now defined as employee benefits that are expected to be settled wholly within twelve months after reporting date. Previously, short-term employee benefits were defined as employee benefits due to be settled within twelve months.

Other new standards, revised standards, interpretations and amending standards issued prior to the sign-off date and are applicable to the current reporting period did not have a financial impact, and are not expected to have a material impact on the entity.

Future Australian Accounting Standard Requirements

The following new standards, revised standards, interpretations and amending standards were issued by the Australian Accounting Standards Board prior to the sign-off date, which are expected to have a financial impact on the Tribunal for future reporting periods:

- **AASB 9 *Financial Instruments* and associated Amending Standards** (applicable for annual reporting periods commencing on or after 1 January 2017)

  These Standards will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and include revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments, and simplified requirements for hedge accounting.

  The key changes that may affect the Tribunal on initial application of AASB 9 and associated Amending Standards include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to the hedging of non-financial items. Should the Tribunal elect to change its hedge accounting policies in line with the new hedge accounting requirements of AASB 9, the application of such accounting would be largely prospective.

Notes to and forming part of the financial statements

Although management anticipate that the adoption of AASB 9 may have an impact on the Tribunal's financial instruments, it is impracticable at this stage to provide a reasonable estimate of such impact.

- **AASB 1055 *Budgetary Reporting***
  (effective 1 July 2014)

  On 5 March 2013 the AASB approved AASB 1050 for not for profit reporting entities within the General Government Sector that present a budget to parliament and provides users with information relevant to assessing performance of an entity, including accountability for resources entrusted to it between budget and actual results.

  In particular, the following disclosures will be required:
  – original budget presented to Parliament;
  – variance of actuals from budget; and
  – explanations of significant variances.

  This standard is not applicable until financial year 2014–15.

Other new standards, revised standards, interpretations and amending standards that were issued prior to the sign-off date and are applicable to the future reporting period are not expected to have a material impact on the Tribunal.

1.5 Revenue

Revenue from the sale of goods is recognised when:

a) the risks and rewards of ownership have been transferred to the buyer;
b) the Tribunal retains no managerial involvement or effective control over the goods;
c) the revenue and transaction costs incurred can be reliably measured; and
d) it is probable that the economic benefits associated with the transaction will flow to the Tribunal.

Revenue from rendering of services is recognised by reference to the stage of completion of contracts at the reporting date. The revenue is recognised when:

a) the amount of revenue, stage of completion and transaction costs incurred can be reliably measured; and
b) the probable economic benefits associated with the transaction will flow to the Tribunal.

The stage of completion of contracts at the reporting date is determined by reference to:

a) surveys of work performed;
b) services performed to date as a percentage of total services to be performed; or
c) the proportion that costs incurred to date bear to the estimated total costs of the transaction.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

Interest revenue is recognised using the effective interest method as set out in AASB 139 *Financial Instruments: Recognition and Measurement*.

Resources Received Free of Charge

Resources received free of charge are recognised as revenue when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense. Resources received free of charge are recorded as either revenue or gains depending on their nature.

Contributions of assets at no cost of acquisition or for nominal consideration are recognised as gains at their fair value when the asset qualifies for recognition, unless received from another Government agency or authority as a consequence of a restructuring of administrative arrangements (refer to Note 1.7).

Notes to and forming part of the financial statements

Revenue from Government
Amounts appropriated for departmental appropriations for the year (adjusted for any formal additions and reductions) are recognised as Revenue from Government when the Tribunal gains control of the appropriation, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned. Appropriations receivable are recognised at their nominal amounts.

1.6 Gains

Resources Received Free of Charge
Resources received free of charge are recognised as gains when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense.

Resources received free of charge are recorded as either revenue or gains depending on their nature.

Contributions of assets at no cost of acquisition or for nominal consideration are recognised as gains at their fair value when the asset qualifies for recognition, unless received from another Government Agency or Authority as a consequence of a restructuring of administrative arrangements (Refer to Note 1.7).

Sale of Assets
Gains, from disposal of assets, are recognised when control of the asset has passed to the buyer.

1.7 Transactions with the Government as Owner

Equity Injections
Amounts appropriated which are designated as 'equity injections' for a year (less any formal reductions) and Departmental Capital Budgets (DCBs) are recognised directly in contributed equity in that year.

Restructuring of Administrative Arrangements
Net assets received from or relinquished to another Government entity under a restructuring of administrative arrangements are adjusted at their book value directly against contributed equity.

Other Distributions to Owners
The FMOs require that distributions to owners be debited to contributed equity unless it is in the nature of a dividend.

1.8 Employee Benefits

Liabilities for 'short-term employee benefits' (as defined in AASB 119 *Employee Benefits*) and termination benefits expected within twelve months of the end of the reporting period are measured at their nominal amounts.

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits are measured as net total of the present value of the defined benefit obligation at the end of the reporting period minus the fair value at the end of the reporting period of plan assets (if any) out of which the obligations are to be settled directly.

Leave
The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of the Tribunal is estimated to be less than the annual entitlement for sick leave.

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including the Tribunal's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The liability for long service leave is recognised and measured, using the short-hand method included in the FMOs, at the present value of the estimated future cash flows to be made in respect of all employees at 30 June 2014. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

Separation and Redundancy
Provision is made for separation and redundancy benefit payments. The Tribunal recognises a provision for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations.

Superannuation
Most members and staff of the Tribunal are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS) or the PSS accumulation plan (PSSap).

The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap is a defined contribution scheme.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes.

The Tribunal makes employer contributions to the employees' superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the Government. The Tribunal accounts for the contributions as if they were contributions to defined contribution plans.

The liability for superannuation recognised as at 30 June represents outstanding contributions for the final fortnight of the year.

1.9 Leases

A distinction is made between finance leases and operating leases. Finance leases effectively transfer from the lessor to the lessee substantially all the risks and rewards incidental to ownership of leased assets. An operating lease is a lease that is not a finance lease. In operating leases, the lessor effectively retains substantially all such risks and benefits. The Tribunal does not have any finance leases.

Operating lease payments are expensed on a straight line basis which is representative of the pattern of benefits derived from the leased assets. Lease incentives are amortised on a straight line basis which is representative of the pattern of benefits derived from the incentives.

1.10 Borrowing Costs

All borrowing costs are expensed as incurred.

1.11 Fair Value Measurement

No transfers between levels of the fair value hierarchy occurred in 2013–14.

Notes to and forming part of the financial statements

1.12 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents includes;

a) cash on hand;
b) demand deposits in bank accounts with an original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value;
c) cash held by outsiders; and
d) cash in special accounts.

1.13 Financial Assets

The Tribunal's financial assets are all classified as 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. Financial assets are recognised and derecognised upon trade date.

Effective Interest Method
The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

Income is recognised on an effective interest rate basis except for financial assets that are recognised at fair value through profit or loss.

Loans and Receivables
Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate.

Impairment of Financial Assets
Financial assets are assessed for impairment at the end of each reporting period.

Financial assets carried at cost – if there is objective evidence that an impairment loss has been incurred, the amount of the impairment loss is the difference between the carrying amount of the asset and the present value of the estimated future cash flows discounted at the current market rate for similar assets.

1.14 Financial Liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

Financial Liabilities at Fair Value Through Profit or Loss
Financial liabilities at fair value through profit or loss are initially measured at fair value. Subsequent fair value adjustments are recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

Other Financial Liabilities
Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Notes to and forming part of the financial statements

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

1.15 Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent assets are not recognised in the statement of financial position but are reported in the relevant schedules and notes. They may arise from uncertainty as to the existence of a liability or asset, or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

1.16 Financial Guarantee Contracts

Financial guarantee contracts are accounted for in accordance with AASB139 *Financial Instruments: Recognition and Measurement*. They are not treated as a contingent liability, as they are regarded as financial instruments outside the scope of AASB137 *Provisions, Contingent Liabilities and Contingent Assets*. The Tribunal currently has no financial guarantee contracts.

1.17 Acquisition of Assets

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor's accounts immediately prior to the restructuring.

1.18 Property, Plant and Equipment

Asset Recognition Threshold
Purchases of property, plant and equipment are recognised initially at cost in the statement of financial position, except for purchases costing less than $2,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to 'make-good' provisions in property leases taken up by the Tribunal where there exists an obligation to restore the property to its original condition. These costs are included in the value of the Tribunal's leasehold improvements with a corresponding provision for the 'make-good' recognised.

Revaluations
Fair values for each class of asset are determined as shown below:

Asset class	*Fair value measurement*
Leasehold improvements	Depreciated replacement cost
Plant and equipment	Depreciated replacement cost

The Tribunal does not own any land or buildings.

Following initial recognition at cost, property, plant and equipment were carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Valuations were conducted with sufficient frequency to ensure that the carrying amounts of assets did not differ materially from the assets' fair values as at the reporting date. The regularity of independent valuations depended upon the volatility of movements in market values for the relevant assets.

Revaluation adjustments were made on a class basis. Any revaluation increment was credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets were recognised directly in the surplus/deficit except to the extent that they reversed a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date was eliminated against the gross carrying amount of the asset and the asset was restated to the revalued amount.

Depreciation
Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the Tribunal using, in all cases, the straight-line method of depreciation.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2014	2013
Leasehold improvements	**Lesser of estimated useful life and lease term**	Lesser of estimated useful life and lease term
Plant and equipment	**3–20 years**	3–20 years

Impairment
All assets were assessed for impairment at 30 June 2014. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Tribunal were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

No indicators of impairment were found for assets at fair value.

Derecognition
An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

1.19 Intangibles

The Tribunal's intangibles comprise externally purchased software for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Software is amortised on a straight-line basis over its anticipated useful lives. The useful lives of the Tribunal's software are 3 to 5 years (2013: 3 to 5 years).

All software assets were assessed for indications of impairment as at 30 June 2014. No indications of impairment were found for intangible assets.

Notes to and forming part of the financial statements

1.20 Taxation

The Tribunal is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:

a) where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
b) for receivables and payables.

1.21 Reporting of Administered Activities

Administered revenues, expenses, assets, liabilities and cash flows are disclosed in the administered schedules and related notes.

Except where otherwise stated below, administered items are accounted for on the same basis and using the same policies as for departmental items, including the application of Australian Accounting Standards.

Administered Cash Transfers to and from the Official Public Account

Revenue collected by the Tribunal for use by the Government rather than the Tribunal is administered revenue. Collections are transferred to the Official Public Account (OPA) maintained by the Department of Finance. Conversely, cash is drawn from the OPA to make payments under Parliamentary appropriation on behalf of Government. These transfers to and from the OPA are adjustments to the administered cash held by the Tribunal on behalf of the Government and reported as such in the schedule of administered cash flows and in the administered reconciliation schedule.

Administered Revenue

All administered revenues are revenues relating to ordinary activities performed by the Tribunal on behalf of the Australian Government. As such, administered appropriations are not revenues of the individual entity that oversees distribution or expenditure of the funds as required by regulations 19 and 19AA of *the Administrative Appeals Regulations 1976*.

The major financial activities of the Tribunal are the collection of fees payable on lodging with the Tribunal of an application for a review of a decision, other than in income maintenance matters. On matters other than income maintenance, applicants may apply for a waiver of the fee under regulation 19(6) of the *Administrative Appeals Tribunal Regulations 1976*.

Applications deemed to be successful may result in a refund of the fee paid.

Fees are refunded in whole if lodged prior to November 1, 2010 or less $100 if lodged from November 1, 2010 where the proceedings terminate in a manner favourable to the applicant except for Small Taxation Claims Tribunal applications where a smaller once-only fee is payable irrespective of the outcome of the decision.

Note 2: Events after the Reporting Period

Departmental

There was no subsequent event that had the potential to significantly affect the ongoing structure and financial activities of the Tribunal.

Administered

There was no subsequent event that had the potential to significantly affect the ongoing structure and financial activities of the Tribunal.

Note 3: Expenses

	2014 $'000	2013 $'000
Note 3A: Employee benefits		
Wages and salaries	**18,413**	18,236
Superannuation		
Defined contribution plans	**1,076**	1,054
Defined benefit plans	**2,035**	1,870
Leave and other entitlements	**2,263**	1,830
Separation and redundancies	**-**	76
Total employee benefits	**23,787**	23,066
Note 3B: Suppliers		
Goods and services		
Consultants	**245**	232
Travel	**401**	491
IT services	**886**	770
Other	**5,004**	5,210
Total goods and services	**6,536**	6,703
Goods supplied in connection with		
Related parties	**-**	-
External parties	**283**	318
Total goods supplied	**283**	318
Services supplied in connection with		
Related entities	**479**	694
External parties	**5,774**	5,691
Total services rendered	**6,253**	6,385
Total goods and services supplied or rendered	**6,536**	6,703
Other suppliers		
Operating lease rentals in connection with		
External parties:		
Minimum lease payments	**6,039**	5,979
Workers compensation expenses	**201**	127
Total other suppliers	**6,240**	6,106
Total suppliers	**12,776**	12,809

Notes to and forming part of the financial statements

	2014 $'000	2013 $'000
Note 3C: Depreciation and Amortisation		
Depreciation:		
Leasehold improvements	**1,496**	1,349
Plant and equipment	**540**	483
Total depreciation	**2,036**	1,832
Amortisation:		
Intangibles	**89**	96
Total amortisation	**89**	96
Total depreciation and amortisation	**2,125**	1,928

Note 4: Income

OWN-SOURCE REVENUE

	2014 $'000	2013 $'000
Note 4A: Sale of Goods and Rendering of Services		
Rendering of services in connection with		
Related entities	**1,763**	1,671
External parties	**306**	368
Total sale of goods and rendering of services	**2,069**	2,039

GAINS

	2014 $'000	2013 $'000
Note 4B: Other gains		
Resources received free of charge – services	**1,110**	1,100
Liabilities assumed by other departments	**284**	278
Other	**140**	-
Total other gains	**1,534**	1,378

REVENUE FROM GOVERNMENT

	2014 $'000	2013 $'000
Note 4C: Revenue from Government		
Appropriations:		
Departmental appropriations	**34,398**	33,077
Total revenue from Government	**34,398**	33,077

Notes to and forming part of the financial statements

Note 5: Fair Value Measurements

The following table provides an analysis of assets and liabilities that are measured at fair value.
The different levels of the fair value hierarchy are defined below.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at measurement date.
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3: Unobservable inputs for the asset or liability.

The Tribunal's assets have all been assessed as Level 3 inputs by the valuer, RHAS, engaged to value the Tribunal's assets in 2013–14.

Note 5A: Fair Value Measurements

Fair value measurement at the end of the reporting period by hierarchy for assets in 2014

	Fair value	Fair value measurements at the end of the reporting period using Level 3 inputs
	$'000	$'000
Non-financial assets		
Leasehold improvements	3,478	3,478
Plant and Equipment	1,537	1,537
Total non-financial assets	**5,015**	**5,015**
Total fair value measurements of assets in the statement of financial position	**5,015**	**5,015**

The highest and best use of all non-financial assets are the same as their current use.

Note 5B: Level 1 and Level 2 Transfers for Recurring Fair Value Measurements

There was no transfer of fair value measurements between level 1 and level 2 assets and liabilities.

Note 5C: Valuation Technique and Inputs for Level 3 Fair Value Measurements

Level 3 fair value measurements – valuation technique and the inputs used for assets in 2014

	Category (Level 2 or Level 3)	Fair Value $'000	Valuation technique(s)[1]	Inputs used	Range (weighted average)[2]
Non-financial assets					
Leasehold improvements	Level 3	3,478	Depreciated replacement cost	ABS Indexes Historic cost Current contract prices	N/A
Plant and Equipment	Level 3	1,537	Depreciated replacement cost	ABS Indexes Historic cost Current contract prices	N/A

1. No change in valuation technique occurred during the period.
2. Significant unobservable inputs only.

FINANCIAL STATEMENTS

Notes to and forming part of the financial statements

Recurring and non-recurring Level 3 fair value measurements – valuation processes
The Tribunal procured valuation services from RHAS valuers (RHAS) and relied on valuation models provided by RHAS. The Tribunal tests the procedures of the valuation model at least once every 12 months. RHAS provided written assurance to the entity that the model developed is in compliance with AASB 13.

Recurring Level 3 fair value measurements – sensitivity of inputs
The significant unobservable inputs used in the fair value measurement of the Tribunal's leasehold improvements and plant and equipment are based on Australian Bureau of Statistics Indexes' and historical costs or in some cases based on the current contract price for the replacement asset.

Note 5D: Reconciliation for Recurring Level 3 Fair Value Measurements
Recurring Level 3 fair value measurements – reconciliations for assets

	Non-financial assets		
	Leasehold improvements $'000	**Plant and Equipment $'000**	**Total 2014 $'000**
Opening balance	**3,356**	**1,923**	**5,279**
Total gains/(losses) recognised in net cost of services[1]	(1,496)	(540)	(2,036)
Total gains/(losses) recognised in other comprehensive income[2]	117	112	229
Transfers out of Level 3[3]	(100)	-	(100)
Purchases	1,601	42	1,643
Closing balance	**3,478**	**1,537**	**5,015**

1. The losses are presented in the Statement of Comprehensive Income under Depreciation and amortisation.
2. The gains are presented in the Statement of Comprehensive Income under Changes in asset revaluation surplus.
3. The transfer is presented in the Statement of Financial Position as a movement between assets and revaluation reserves in equity.

Note 6: Financial Assets

	2014 $'000	2013 $'000
Note 6A: Cash and cash equivalents		
Cash on hand or on deposit	**377**	418
Total cash and cash equivalents	**377**	418
Note 6B: Trade and Other receivables		
Goods and Services receivables in connection with:		
Related entities	**393**	199
External parties	**16**	104
Total goods and services receivables	**409**	303
Appropriations receivable:		
Existing programs	**13,174**	11,935
Total appropriations receivable	**13,174**	11,935
Other receivables:		
Statutory receivables	**94**	277
Total other receivables	**94**	277
Total trade and other receivables (Gross)	**13,677**	12,515

No impairment has been recognised in 2014 (2013: Nil).

	2014 $'000	2013 $'000
Trade and other receivables (net) expected to be recovered:		
No more than 12 months	**13,677**	12,515
More than 12 months	**-**	-
Total trade and other receivables (net)	**13,677**	12,515
Trade and other receivables aged as follows:		
Not overdue	**13,650**	12,498
Overdue by:		
0 to 30 days	**18**	3
31 to 60 days	**9**	14
61 to 90 days	**-**	-
More than 90 days	**-**	-
	27	17
Total trade and other receivables (net)	**13,677**	12,515

Credit terms for goods and services were within 30 days (2013: 30 days).

Note 7: Non-Financial Assets

Note 7A: Leasehold Improvements

	2014 $'000	2013 $'000
Leasehold improvements at fair value	**3,478**	3,356
Total leasehold improvements	**3,478**	3,356

Leasehold improvements were subject to revaluation. No indicators of impairment were found for leasehold improvements.

No leasehold improvements are expected to be sold or disposed of within the next 12 months.

Note 7B: Plant and Equipment

	2014 $'000	2013 $'000
Plant and equipment at fair value	**1,537**	1,923
Total plant and equipment	**1,537**	1,923

Plant and equipment were subject to revaluation. No indicators of impairment were found for plant and equipment.

No plant and equipment is expected to be sold or disposed of within the next 12 months other than where items are being replaced at the end of useful life with similar assets in the ordinary course of business.

Revaluations of non-financial assets

All revaluations are in accordance with the revaluation policy stated in Note 1.17. On 30 June 2014 an independent valuer, RHAS, conducted the revaluations.

Revaluation increment of $117,000 was made for leasehold improvements (nil in 2013).

Revaluation increment of $112,000 was made for plant and equipment (nil in 2013).

Notes to and forming part of the financial statements

Note 7C: Reconciliation of the Opening and Closing Balances of Leasehold improvements, Plant and Equipment

Reconciliation of the opening and closing balances of leasehold improvements, plant and equipment (2013–14)

	Leasehold Improvements	**Plant and Equipment**	**Total**
	$'000	**$'000**	**$'000**
As at 1 July 2013			
Gross book value	**3,356**	**1,923**	**5,279**
Accumulated depreciation and impairment	-	-	-
Total as at 1 July 2013	**3,356**	**1,923**	**5,279**
Additions			
Purchase	1,601	42	**1,643**
Revaluations and impairments recognised in other comprehensive income	117	112	**229**
Revaluation of makegood liabilities	(100)	-	**(100)**
Depreciation expense	(1,496)	(540)	**(2,036)**
Total as at 30 June 2014	**3,478**	**1,537**	**5,015**
Total as at 30 June 2014 represented by:			
Gross book value	3,478	1,537	**5,015**
Accumulated depreciation and impairment	-	-	-
Total as at 30 June 2014	**3,478**	**1,537**	**5,015**

Reconciliation of the opening and closing balances of leasehold improvements, plant and equipment (2012–13)

	Leasehold Improvements	Plant and Equipment	Total
	$'000	$'000	$'000
As at 1 July 2012			
Gross book value	4,705	1,438	**6,143**
Accumulated depreciation and impairment	-	-	-
Total as at 1 July 2012	**4,705**	**1,438**	**6,143**
Additions			
Purchase	-	968	**968**
Depreciation expense	(1,349)	(483)	**(1,832)**
Total as at 30 June 2013	**3,356**	**1923**	**5,279**
Total as at 30 June 2013 represented by:			
Gross book value	3,356	1,923	**5,279**
Accumulated depreciation and impairment	-	-	-
Total as at 30 June 2013	**3,356**	**1,923**	**5,279**

Notes to and forming part of the financial statements

	2014 $'000	2013 $'000
Note 7D: Intangibles		
Computer software		
Purchased	**1,039**	990
Accumulated amortisation	**(927)**	(838)
Total computer software	**112**	152
Total intangibles	**112**	152

No indicators of impairment were found for intangible assets.
No intangibles are expected to be sold or disposed of within the next 12 months.

Note 7E: Reconciliation of the Opening and Closing Balances of Intangibles

Reconciliation of the opening and closing balances of intangibles (2013–14)

Item	**Computer Software Purchased $'000**	**Total $'000**
As at 1 July 2013		
Gross book value	990	**990**
Accumulated amortisation and impairment	(838)	**(838)**
Total as at 1 July 2013	152	**152**
Additions		
By purchase or internally developed	49	**49**
Amortisation	(89)	**(89)**
Total as at 30 June 2014	112	**112**
Total as at 30 June 2014 represented by:		
Gross book value	1,039	**1,039**
Accumulated amortisation and impairment	(927)	**(927)**
Total as at 30 June 2014	112	**112**

Reconciliation of the opening and closing balances of intangibles (2012–13)

Item	**Computer Software Purchased $'000**	Total $'000
As at 1 July 2012		
Gross book value	990	**990**
Accumulated amortisation and impairment	(742)	**(742)**
Total as at 1 July 2012	248	**248**
Amortisation	(96)	**(96)**
Total as at 30 June 2013	152	**152**
Total as at 30 June 2013 represented by:		
Gross book value	990	**990**
Accumulated amortisation and impairment	(838)	**(838)**
Total as at 30 June 2013	152	**152**

Notes to and forming part of the financial statements

	2014 $'000	2013 $'000
Note 7F: Other non-financial assets		
Prepayments	**234**	413
Total other non-financial assets	**234**	413
Other non-financial assets expected to be recovered		
No more than 12 months	**216**	408
More than 12 months	**18**	5
Total other non-financial assets	**234**	413

No indicators of impairment were found for other non-financial assets.

Note 8: Payables

	2014 $'000	2013 $'000
Note 8A: Suppliers		
Trade creditors and accruals	**1,308**	1,409
Total suppliers payables	**1,308**	1,409
Suppliers expected to be settled		
No more than 12 months	**1,308**	1,409
More than 12 months	**-**	-
Total suppliers	**1,308**	1,409
Suppliers in connection with		
Related entities	**23**	254
External parties	**1,285**	1,155
Total suppliers	**1,308**	1,409

Settlement was usually made within 30 days.

	2014 $'000	2013 $'000
Note 8B: Other payables		
Wages and salaries[1]	**778**	853
Lease incentives [2,3]	**542**	742
Total other payables	**1,320**	1,595
Other payables expected to be settled		
No more than 12 months	**1,029**	1,058
More than 12 months	**291**	537
Total other payables	**1,320**	1,595

1. The amount has been reclassified from Employee Provisions – Other in 2012-13 to better reflect the nature of the liability.
2. The Tribunal received incentives in the form of rent free periods and carpeting contributions on entering property operating leases.
3. The amount has been reclassified from Interest Bearing Liabilities in the prior year to better reflect the nature of the liability.

Notes to and forming part of the financial statements

	2014 $'000	2013 $'000

Note 9: Provisions

Note 9A: Employee provisions		
Leave	**6,418**	5,762
Total employee provisions	**6,418**	5,762
Employee provisions expected to be settled		
No more than 12 months	**1,818**	5,119
More than 12 months	**4,600**	643
Total employee provisions	**6,418**	5,762

Accrued wages and salaries of $853,000 included as Employee Provisions – Other in 2012-13 have been reclassified to Other Payables to better reflect the nature of the liability.

Note 9B: Other provisions		
Provision for restoration obligations	**230**	480
Total other provisions	**230**	480
Other provisions expected to be settled		
No more than 12 months	**-**	150
More than 12 months	**230**	330
Total other provisions	**230**	480

	Provision for restoration $'000	**Total $'000**
As at 1 July 2013	480	**480**
Additional provisions made	(100)	**(100)**
Amount used	(10)	**(10)**
Amounts reversed	(140)	**(140)**
Unwinding of discount or change in the discount rate	-	**-**
Total as at 30 June 2014	230	**230**

The Tribunal currently has one (2013: 2) agreement for the leasing of premises which have provisions requiring the Tribunal to restore the premises to their original condition at the conclusion of the lease. The Tribunal has made a provision to reflect the present value of this obligation.

Notes to and forming part of the financial statements

Note 10: Cash Flow Reconciliation

	2014 $'000	2013 $'000
Reconciliation of cash and cash equivalents as per statement of financial position to cash flow statement		
Cash and cash equivalents as per:		
Cash Flow Statement	**377**	418
Statement of financial position	**377**	418
Discrepancy	**-**	-
Reconciliation of net cost of services to net cash from operating activities:		
Net cost of services	**(35,085)**	(34,386)
Revenue from Government	**34,398**	33,077
Adjustments for non-cash items		
Depreciation/amortisation	**2,125**	1,928
Movements in assets and liabilities		
Assets		
(Increase)/decrease in net receivables	**(1,162)**	(1,135)
(Increase)/decrease in prepayments	**179**	(67)
Liabilities		
Increase/(decrease) in employee provisions[1]	**656**	434
Increase/(decrease) in suppliers payables	**12**	128
Increase/(decrease) in other payables[1]	**(275)**	39
Increase/(decrease) in other provisions	**(150)**	-
Net cash from/(used by) operating activities	**698**	18

1. Movements of $110,000 included in Employee Provisions have been reclassified to Other Payables in the prior year to reflect the change in reclassification of Accrued Salaries and Wages.

Note 11: Contingent Assets and Liabilities

Quantifiable Contingencies

At 30 June 2014, the Tribunal had no quantifiable contingent liabilities (2013: Nil).

Unquantifiable or Remote Contingencies

At 30 June 2014, the Tribunal had not identified any unquantifiable or remote contingencies (2013: Nil).

Notes to and forming part of the financial statements

Note 12: Senior Executive Remuneration

Note 12A: Senior Executive Remuneration Expenses for the Reporting Period

	2014 **$**	2013 $
Short-term employee benefits:		
Salary	**669,041**	594,133
Motor vehicle and other allowances	**199**	-
Total short-term employee benefits	**669,240**	594,133
Post-employment benefits:		
Superannuation	**83,707**	72,566
Total post-employment benefits	**83,707**	72,566
Other long term benefits		
Annual leave accrued	**46,522**	36,910
Long-service leave	**14,960**	11,869
Total other long term employee benefits	**61,482**	48,779
Termination benefits		
Public Services Act 1999 s37 incentive to retire	**-**	76,386
Total termination benefits	**-**	76,386
Total senior executive remuneration expenses	**814,429**	791,864

Notes:

1. Note 12A is prepared on an accrual basis.
2. Note 12A excludes acting arrangements and part-year service where remuneration expense for a senior executive was less than $195,000.

Notes to and forming part of the financial statements

Note 12B: Average Annual Reportable Remuneration Paid to Substantive Senior Executives during the Reporting Period

Average annual reportable remuneration paid to substantive senior executives in 2014

Average annual reportable remuneration[1]	**Substantive Senior Executives No.**	**Reportable salary[2] $**	**Contributed superannuation[3] $**	**Reportable allowances[4] $**	**Bonus Paid[5] $**	**Total reportable remuneration $**
Total reportable remuneration (including part-time arrangements):						
$195,000 to $224,999	**2**	**192,347**	**23,346**	**99**	**-**	**215,792**
$315,000 to $344,999	**1**	**282,914**	**36,635**	**326**	**-**	**319,875**
Total number of substantive senior executives	**3**					

Average annual reportable remuneration paid to substantive senior executives in 2013

Average annual reportable remuneration[1]	Substantive Senior Executives No.	Reportable salary[2] $	Contributed superannuation[3] $	Reportable allowances[4] $	Bonus Paid[5] $	Total reportable remuneration $
Total reportable remuneration (including part-time arrangements):						
$0 to $194,999	2	77,057	9,412	-	-	86,469
$195,000 to $224,999	1	184,553	21,178	-	-	205,731
$285,000 to $314,999	1	266,349	33,870	-	-	300,219
Total number of substantive senior executives	4					

Notes:

1. This table reports substantive senior executives who received remuneration during the reporting period. Each row is an average figure based on headcount for individuals in the band.
2. 'Reportable salary' includes the following:
   a) gross payments (less any bonuses paid, which are separated out and disclosed in the 'bonus paid' column);
   b) reportable fringe benefits (at the net amount prior to 'grossing up' for tax purposes);
   c) reportable employer superannuation contributions; and
   d) exempt foreign employment income.
3. The 'contributed superannuation' amount is the average cost to the entity for the provision of superannuation benefits to substantive senior executives in that reportable remuneration band during the reporting period.
4. 'Reportable allowances' are the average actual allowances paid as per the 'total allowances' line on individuals' payment summaries.
5. 'Bonus paid' represents average actual bonuses paid during the reporting period in that reportable remuneration band. The 'bonus paid' within a particular band may vary between financial years due to various factors such as individuals commencing with or leaving the entity during the financial year.

Notes to and forming part of the financial statements

Note 12C: Average Annual Reportable Remuneration Paid to Other Highly Paid Staff during the Reporting Period

Average annual reportable remuneration paid to other highly paid staff in 2014

Average annual reportable remuneration[1]	Other highly paid staff No.	Reportable salary[2] $	Contributed superannuation[3] $	Reportable allowances[4] $	Bonus Paid[5] $	Total reportable remuneration $
Total reportable remuneration (including part-time arrangements):						
$285,000 to $314,999	**2**	**273,141**	**33,332**	**221**	**-**	**306,694**
$345,000 to $374,999	**8**	**317,499**	**39,488**	**170**	**-**	**357,157**
$405,000 to $434,999	**1**	**380,870**	**51,189**	**520**	**-**	**432,579**
$435,000 to $464,999	**6**	**404,700**	**43,573**	**6,058**	**-**	**454,331**
Total number of other highly paid staff	**17**					

Average annual reportable remuneration paid to other highly paid staff in 2013

Average annual reportable remuneration[1]	Other highly paid staff No.	Reportable salary[2] $	Contributed superannuation[3] $	Reportable allowances[4] $	Bonus Paid[5] $	Total reportable remuneration $
Total reportable remuneration (including part-time arrangements):						
$195,000 to $224,999	1	170,392	26,240	-	-	196,632
$225,000 to $254,999	1	220,343	33,933	-	-	254,276
$285,000 to $314,999	2	268,482	31,751	-	-	300,233
$315,000 to $344,999	6	304,687	36,956	-	-	341,643
$345,000 to $374,999	2	313,315	40,226	168	-	353,709
$405,000 to $434,999	1	358,389	48,998	65	-	407,452
$435,000 to $464,999	5	395,568	39,853	5,400	-	440,821
$525,000 to $554,999	1	481,275	44,345	-	-	525,620
Total number of other highly paid staff	19					

Notes to and forming part of the financial statements

Notes:

1. This table reports staff:
   a) who were employed by the Tribunal during the reporting period;
   b) whose reportable remuneration was $195,000 or more for the reporting period; and
   c) were not required to be disclosed in Note 12B or director disclosures.
   Each row is an averaged figure based on headcount for individuals in the band.
2. 'Reportable salary' includes the following:
   a) gross payments (less any bonuses paid, which are separated out and disclosed in the 'bonus paid' column);
   b) reportable fringe benefits (at the net amount prior to 'grossing up' for tax purposes);
   c) reportable employer superannuation contributions; and
   d) exempt foreign employment income.
3. The 'contributed superannuation' amount is the average cost to the entity for the provision of superannuation benefits to other highly paid staff in that reportable remuneration band during the reporting period.
4. 'Reportable allowances' are the average actual allowances paid as per the 'total allowances' line on individuals' payment summaries.
5. 'Bonus paid' represents average actual bonuses paid during the reporting period in that reportable remuneration band. The 'bonus paid' within a particular band may vary between financial years due to various factors such as individuals commencing with or leaving the entity during the financial year.

Notes to and forming part of the financial statements

Note 13: Remuneration of Auditors

	2014 $'000	2013 $'000
Financial statement audit services were provided free of charge to the Tribunal by the Australian National Audit Office (ANAO).		
Fair value of the financial statements audit services provided	**40**	38
Total	**40**	38

No other services were provided by the auditors of the financial statements.

Note 14: Financial Instruments

Note 14A: Categories of financial instruments

	2014 $'000	2013 $'000
Financial assets		
Loans and receivables		
Cash and cash equivalents	**377**	418
Trade receivables	**409**	303
Total loans and receivables	**786**	721
Total financial assets	**786**	721
Financial liabilities		
Financial liabilities measured at amortised cost:		
Trade creditors	**1,308**	1,409
Total financial liabilities measured at amortised cost	**1,308**	1,409
Total financial liabilities	**1,308**	1,409

Lease incentives included in financial liabilities in the prior year have been reclassified to Other Payables to better reflect the nature of the liabilities.

Note 14B: Net gains or losses on financial assets

The Tribunal had no gains or losses in relation to financial assets in the year ending 30 June 2014. (2013: Nil).

Note 14C: Net gains or losses on financial liabilities

The Tribunal had no gains or losses in relation to financial liabilities in the year ending 30 June 2014. (2013: Nil).

Notes to and forming part of the financial statements

Note 14D: Credit risk

The Tribunal is exposed to minimal credit risk as loans and receivables are cash and trade receivables. The maximum exposure to credit risk is the risk that arises from potential default of a debtor. This amount is equal to the total amount of trade receivables (2014: $409,063 and 2013: $302,434). The Tribunal has assessed the risk of the default on payment and has allocated nil in 2014 (2013: Nil) to an impairment allowance account.

The Tribunal manages its credit risk by limiting the extension of credit to customers, acting promptly to recover past due amounts and withholding credit from defaulting customers until accounts are returned to normal terms. In addition, the Tribunal has policies and procedures that guide employees' debt recovery activities including the use of debt collection agents if required.

The Tribunal has no significant exposures to any concentrations of credit risk with particular customers and does therefore not require collateral to mitigate against credit risks.

Credit quality of financial assets not past due or individually determined as impaired.

	Not Past Due Nor Impaired 2014 $'000	Not Past Due Nor Impaired 2013 $'000	**Past Due or Impaired 2014 $'000**	Past Due or Impaired 2013 $'000
Cash and cash equivalents	**377**	418	-	-
Receivables for goods and services	**382**	286	**27**	17
Total	**759**	704	**27**	17

Ageing of financial assets that were past due but not impaired in 2014

	0 to 30 days $'000	**31 to 60 days $'000**	**61 to 90 days $'000**	**90+ days $'000**	**Total $'000**
Receivables for goods and services	18	9	-	-	27
Total	**18**	**9**	**-**	**-**	**27**

Ageing of financial assets that were past due but not impaired in 2013

	0 to 30 days $'000	**31 to 60 days $'000**	**61 to 90 days $'000**	**90+ days $'000**	**Total $'000**
Receivables for goods and services	3	14	-	-	17
Total	**3**	**14**	**-**	**-**	**17**

Notes to and forming part of the financial statements

Note 14E: Liquidity risk

The Tribunal's financial liabilities are supplier payables. The exposure to liquidity risk is based on the notion that the Tribunal will encounter difficulty in meeting its obligations associated with financial liabilities. This is highly unlikely due to appropriation funding and mechanisms available to the Tribunal (e.g. Advance to the Finance Minister) and internal policies and procedures put in place to ensure there are appropriate resources to meet its financial obligations. The Tribunal is appropriated funding from the Australian Government and manages its budgeted funds to ensure it is able to meet payments as they fall due. Policies are in place to ensure timely payments are made when due and there have been no past experience of default.

Maturities for non-derivative financial liabilities in 2014:

	On demand $'000	**within 1 year $'000**	**between 1 to 2 years $'000**	**between 2 to 5 years $'000**	**more than 5 years $'000**	**Total $'000**
Trade creditors	-	1,308	-	-	-	1,308
Total	**-**	**1,308**	**-**	**-**	**-**	**1,308**

Maturities for non-derivative financial liabilities in 2013:

	On demand $'000	within 1 year $'000	between 1 to 2 years $'000	between 2 to 5 years $'000	more than 5 years $'000	Total $'000
Trade creditors	-	1,409	-	-	-	1,409
Total	**-**	**1,409**	**-**	**-**	**-**	**1,409**

Lease incentives included in financial liabilities in the prior year have been reclassified to Other Payables to better reflect the nature of the liabilities.

The entity had no derivative financial liabilities in either 2014 or 2013.

Note 14F: Market risk

The Tribunal held basic financial instruments that did not expose it to certain market risks, such as 'Currency risk', 'Interest rate risk' or 'Other price risk'.

Note 15: Financial Assets Reconciliation

	Notes	**2014 $'000**	2013 $'000
Total financial assets as per statement of financial position		**14,054**	12,933
Less: non-financial instruments components:			
Appropriations receivable	6B	**13,174**	11,935
GST receivable	6B	**94**	277
Total non-financial instrument components		**13,268**	12,212
Total financial assets as per financial instruments note	14A	**786**	721

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Note 16: Administered – Financial Assets

	2014 $'000	2013 $'000
Note 16A: Cash and cash equivalents		
Cash on hand or on deposit	6	3
Total cash and cash equivalents	6	3

Note 17: Administered – Cash Flow Reconciliation

	2014 $'000	2013 $'000
Reconciliation of cash and cash equivalents as per Administered Schedule of Assets and Liabilities to Administered Cash Flow Statement		
Cash and cash equivalents as per:		
Schedule of administered cash flows	6	3
Schedule of administered assets and liabilities	6	3
Discrepancy	-	-
Reconciliation of net cost of services to net cash from operating activities:		
Net cost of services	519	492
Net cash (used by) operating activities	519	492

Note 18: Administered – Contingent Assets and Liabilities

There were no administered contingent assets or liabilities as at 30 June 2014 (2013: Nil).

Note 19: Administered – Financial Instruments

	2014 $'000	2013 $'000
Note 19A: Categories of Financial Instruments		
Financial Assets		
Cash and cash equivalents	6	3
Carrying amount of financial assets	6	3

Note 20: Administered Financial Assets Reconciliation

	2014 $'000	2013 $'000
Financial Assets		
Total financial assets as per administered schedule of assets and liabilities	6	3
Total financial assets as per financial instruments note	6	3

Notes to and forming part of the financial statements

Note 21: Appropriations

Table A: Annual Appropriations ('Recoverable GST exclusive')

Annual Appropriation for 2014	Appropriation Act			FMA Act					
	Annual Appropriations $'000	Appropriations Reduced(1) $'000	AFM(2) $'000	Section 30 $'000	Section 31 $'000	Section 32 $'000	Total Appropriation $'000	Appropriation applied in 2014 (current and prior years) $'000	Variance(3) $'000
DEPARTMENTAL									
Ordinary annual services (3)	35,464	-	-	-	2,146	-	37,610	36,412	1,198
Total Departmental	35,464	-	-	-	2,146	-	37,610	36,412	1,198
ADMINISTERED									
Ordinary annual services	-	-	-	-	[redacted]	-	-	-	-
Total Administered	-	-	-	-	[redacted]	-	-	-	-

Notes:

1. Appropriations reduced under Appropriation Acts (No. 1, 3 & 5) 2013–14: sections 10, 11 and 12 and under Appropriation Acts (No. 2,4,6) 2013–14: sections 12,13 and 14. Departmental appropriations do not lapse at financial year–end. However, the responsible Minister may decide that part or all of a departmental appropriation is not required and request the Finance Minister to reduce that appropriation. The reduction in the appropriation is effected by the Finance Minister's determination and is disallowable by Parliament. In 2014, there was no reduction in departmental appropriations for the Tribunal.
2. Advance to the Finance Minister (AFM) – Appropriation Acts (No. 1, 3 & 5) 2013–14: section 13 and Appropriation Acts (No. 2,4,6) 2013–14: section 15.
3. Variance is substantially attributable to cash under spend during the year and the timing of payments.

Notes to and forming part of the financial statements

Table A (Cont'd): Annual Appropriations ('Recoverable GST exclusive')

Annual Appropriation for 2013	Appropriation Act			FMA Act					
	Annual Appropriations $'000	Appropriations Reduced[1] $'000	AFM[2] $'000	Section 30 $'000	Section 31 $'000	Section 32 $'000	Total Appropriation $'000	Appropriation applied in 2013 (current and prior years) $'000	Variance[3] $'000
DEPARTMENTAL									
Ordinary annual services [3]	33,542	-	-	-	1,939	-	35,481	34,311	1,170
Total Departmental	33,542	-	-	-	1,939	-	35,481	34,311	1,170
ADMINISTERED									
Ordinary annual services	-	-	-	-	[redacted]	-	-	-	-
Total Administered	-	-	-	-	[redacted]	-	-	-	-

Notes:

1. Appropriations reduced under Appropriation Acts (No. 1, 3 & 5) 2012–13: sections 10, 11, 12 and 15 and under Appropriation Acts (No. 2,4,6) 2012–13: sections 12,13, 14 and 17. Departmental appropriations do not lapse at financial year–end. However, the responsible Minister may decide that part or all of a departmental appropriation is not required and request the Finance Minister to reduce that appropriation. The reduction in the appropriation is effected by the Finance Minister's determination and is disallowable by Parliament. In 2013, there was no reduction in departmental appropriations for the Tribunal.
2. Advance to the Finance Minister (AFM) – Appropriation Acts (No. 1, 3 & 5) 2012–13: section 13 and Appropriation Acts (No. 2,4,6) 2012–13: section 15.
3. Variance is substantially attributable to cash under spend during the year and the timing of payments.

Notes to and forming part of the financial statements

Table B: Departmental Capital Budgets ('Recoverable GST exclusive')

	2014 Capital Budget Appropriations				Capital Budget Appropriations applied in 2014 (current and prior years)			
	Appropriation Act		*FMA Act*					
	Annual Capital Budget $'000	Appropriations Reduced[2] $'000	Section 32 $'000	Total Capital Budget Appropriations $'000	Payments for non-financial assets[3] $'000	Payments for other purposes $'000	Total payments $'000	Variance $'000
DEPARTMENTAL								
Ordinary annual services – Departmental Capital Budget[1]	**1,066**	**-**	**-**	**1,066**	**1,805**	**-**	**1,805**	**(739)**
Total Departmental	**1,066**	**-**	**-**	**1,066**	**1,805**	**-**	**1,805**	**(739)**

Notes:

1. Departmental and Administered Capital Budgets are appropriated through Appropriation Acts (No. 1, 3 & 5). They form part of ordinary annual services, and are not separately identified in the Appropriation Acts. For more information on ordinary annual services appropriations, please see Table A: Annual appropriations.
2. Appropriations reduced under Appropriation Acts (No. 1, 3 & 5) 2013–14: sections 10, 11, 12 and 15 or via a determination by the Finance Minister.
3. Payments made on non-financial assets include purchases of assets, expenditure on assets which has been capitalised, costs incurred to make good an asset to its original condition, and the capital repayment component of finance leases.

Notes to and forming part of the financial statements

Table B (Cont'd): Departmental Capital Budgets ('Recoverable GST exclusive')

	2013 Capital Budget Appropriations				Capital Budget Appropriations applied in 2013 (current and prior years)			
	Appropriation Act		*FMA Act*					
	Annual Capital Budget $'000	Appropriations Reduced[2] $'000	Section 32 $'000	Total Capital Budget Appropriations $'000	Payments for non-financial assets[3] $'000	Payments for other purposes $'000	Total payments $'000	Variance $'000
DEPARTMENTAL								
Ordinary annual services –								
Departmental Capital Budget[1]	465	-	-	465	(348)	-	(348)	117
Total Departmental	465	-	-	465	(348)	-	(348)	117

Notes:

1. Departmental and Administered Capital Budgets are appropriated through Appropriation Acts (No. 1, 3 & 5). They form part of ordinary annual services, and are not separately identified in the Appropriation Acts. For more information on ordinary annual services appropriations, please see Table A: Annual appropriations.
2. Appropriations reduced under Appropriation Acts (No. 1, 3 & 5) 2012–13: sections 10, 11, 12 and 15 or via a determination by the Finance Minister.
3. Payments made on non-financial assets include purchases of assets, expenditure on assets which has been capitalised, costs incurred to make good an asset to its original condition, and the capital repayment component of finance leases.

Notes to and forming part of the financial statements

Table C: Unspent Departmental Annual Appropriations ('Recoverable GST exclusive')

Authority	2014 $'000	2013 $'000
Appropriation Act (No.1) 2012–13	**-**	11,515
Appropriation Act (No.3) 2012–13	**-**	420
Appropriation Act (No.1) 2013–14	**12,900**	-
Appropriation Act (No.3) 2013–14	**274**	-
Total	**13,174**	11,935

Table D: Special Appropriations ('Recoverable GST exclusive')

Authority	Type	Purpose	2014 $'000	2013 $'000
Financial Management and Accountability Act 1997 s.28(2), Administered	Refund	To provide an appropriation where an Act or other law requires or permits the repayment of an amount received by the Commonwealth and apart from this section there is no specific appropriation for the repayment.	**368**	279
Total			**368**	279

Notes to and forming part of the financial statements

Note 22: Compliance with Statutory Conditions for Payment from the Consolidated Revenue Fund

The Australian Government continues to have regard to developments in case law, including the High Court's most recent decision on Commonwealth expenditure in *Williams v Commonwealth [2014] HCA 23*, as they contribute to the larger body of law relevant to the development of Commonwealth programs. In accordance with its general practice, the Government will continue to monitor and assess risk and decide on any appropriate actions to respond to risks of expenditure not being consistent with constitutional or other legal requirements.

The Tribunal has reviewed its processes and controls over payments regarding long service leave and payments made under a determination of the Remuneration Tribunal to minimise the possibility for breaches as a result of these payments.

The Tribunal has determined that there is a low risk of the goods and services tax circumstances mentioned in the legal advice applying to the Tribunal.

The Tribunal is not aware of any specific breaches of Section 83 at the reporting date.

Monitoring of the risk of all identified potential s83 breaches will continue in 2014–15 via the Tribunal's internal audit programme.

Notes to and forming part of the financial statements

Note 23: Compensation and Debt Relief

	2014 $	2013 $
Compensation and Debt Relief – Departmental		
No 'Act of Grace' payments were expensed during the reporting period (2013: nil).	-	-
No waivers of amounts owing to the Australian Government were made pursuant to subsection 34(1) of the *Financial Management and Accountability Act 1997* (2013: nil).	-	-
No payments were provided under the *Compensation for Detriment caused by Defective Administration (CDDA) Scheme* during the reporting period (2013: nil).	-	-
No ex gratia payments were provided during the reporting period (2013: nil).	-	-
No payments were provided in special circumstances relating to APS employment pursuant to section 73 of the *Public Service Act 1999* during the reporting period (2013: nil)	-	-
Compensation and Debt Relief – Administered		
No 'Act of Grace' payments were expensed during the reporting period (2013: nil).	-	-
No waivers of amounts owing to the Australian Government were made pursuant to subsection 34(1) of the *Financial Management and Accountability Act 1997* (2013: nil).	-	-
No payments were provided under the *Compensation for Detriment caused by Defective Administration (CDDA) Scheme* during the reporting period (2013: nil).	-	-
No ex gratia payments were provided during the reporting period (2013: nil).	-	-
No payments were provided in special circumstances relating to APS employment pursuant to section 73 of the *Public Service Act 1999* during the reporting period (2013: nil)	-	-

Notes to and forming part of the financial statements

Note 24: Reporting of Outcomes

The Tribunal has only one outcome which is described in note 1.1 and all resources are used to deliver that outcome.

Note 24A: Net Cost of Outcome Delivery

	Total Outcome 1	
	2014 $'000	2013 $'000
Departmental		
Expenses	**(38,688)**	(37,803)
Own-source income	**2,069**	2,039
Administered		
Expenses	**(368)**	(279)
Income	**887**	771
Net cost/(contribution) of outcome delivery	**(36,100)**	(35,272)

Note 25: Net Cash Appropriation Arrangements

	2014 $'000	2013 $'000
Total comprehensive income (loss) less depreciation/amortisation expenses previously funded through revenue appropriations[1]	**1,667**	619
Plus: depreciation/amortisation expenses previously funded through revenue appropriation	**(2,125)**	(1,928)
Total comprehensive income (loss) – as per the Statement of Comprehensive Income	**(458)**	(1,309)

1. From 2010–11, the Government introduced net cash appropriation arrangements, where revenue appropriations for depreciation/amortisation expenses ceased. Entities now receive a separate capital budget provided through equity appropriations. Capital budgets are to be appropriated in the period when cash payment for capital expenditure is required.