

<i>Financial Liabilities</i>			Financial liabilities are recognised when a present obligation to another party is entered into and the amount of the liability can be reliably measured.	
Lease incentives	10B	Lease incentives taking the form of "free" leasehold improvements and rent free holidays are recognised as liabilities. These liabilities are reduced by allocating lease payments between rental expense and reduction of the liability.	The Department has received a rent free period on entering a property operating lease in 2000.	
Surplus lease space	10B	A liability for surplus lease space is recognised at the time it is first determined that the leased space will be of no further benefit to the department. The liability is measured as the total expected outlay relating to the surplus space. The amount of liability is reduced on a straight line over the life of the lease by allocating lease payments between rental expense and reduction of the liability.	The Department has no liabilities in respect of surplus office space.	
Trade creditors	11B	Creditors and accruals are recognised at their nominal amounts, being the amounts at which the liabilities will be settled. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).	All creditors are entities that are not part of the Commonwealth legal entity. Settlement is usually made net 30 days.	
<i>Unrecognised financial liabilities</i>				
Guarantees to Public Enterprises		The amounts guaranteed by the Commonwealth have been disclosed in the Schedule of Contingencies. At the time of completion of the financial statements, there was no reason to believe that the guarantees would be called upon, and recognition of a liability was therefore not required. The guarantees are measured as the sum of all future lease payments and the principal and interest outstanding respectively.	The Department has not provided any guarantees to Public Enterprises in relation to lease obligations or borrowings.	
Other Guarantees		As for guarantees to Public Trading Enterprises.	The Department has not provided any guarantees to community support groups regarding lease obligations.	
Indemnities		The maximum amount payable under the indemnities given is disclosed in the Schedule of Contingencies. At the time of completion of the financial statements, there was no reason to believe that the guarantee would be called upon, and recognition of a liability was therefore not required.	The Department has not provided any indemnities to community support groups in relation to approved public activities up to a specified maximum amount for each activity.	

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 22 - Financial Instruments
Note 22B - Interest rate risk: Department

Financial Instrument	Notes	Floating Interest Rate		Fixed Interest Rate			Non-Interest Bearing		Total	Weighted Average Effective Interest Rate			
		1 Year or less		1 to 5 years		> 5 years		99-00		98-99	99-00	98-99	
		99-00	98-99	99-00	98-99	99-00	98-99						%
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	%	%
Financial Assets													
Cash	22C	17,828	176	-	-	-	0	557	17,828	733	1%	1%	-
Accrued Revenue	8	-	-	-	-	-	2,133	1,382	2,133	1,382	-	-	-
Receivables for goods and services	8A	-	-	-	-	-	97,675	3,667	97,675	3,667	-	-	-
Total Financial Assets (Recognised)		17,828	176	-	-	-	99,808	5,606	117,636	5,782	-	-	-
Total assets									225,256	134,187			
Financial Liabilities													
Lease Incentives	10B	-	-	-	-	-	34	78	34	78	-	-	-
Trade Creditors	11B	-	-	-	-	-	49,558	14,770	49,558	14,770	-	-	-
Borrowings	10A	-	-	-	-	-	0	4,000	0	4,000	-	-	-
Operating Lease creditors	11B	-	-	-	-	-	0	213	0	213	-	-	-
Total Financial Liabilities (Recognised)		0	0	0	0	0	49,592	19,061	49,592	19,061	-	-	-
Total Liabilities									125,682	85,225			
Unrecognised indemnity		-	-	-	-	-	-	-	-	-	-	-	-

Note 22B(b) - Interest rate risk: Administered

Financial Instrument	Notes	Floating Interest Rate	Fixed Interest Rate			Non-Interest Bearing		Total	Weighted Average Effective Interest Rate				
			1 Year or less		> 5 years		99-00		98-99	99-00	98-99		
			99-00	98-99	99-00	98-99						%	%
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	%	%	
Financial Assets													
Cash	22C	0	9,000	-	-	-	3,497	909	3,497	909	1%	1%	
Other (Accrued Revenue)	8C	0	0	-	-	-	2,951	1,802	2,951	1,802	-	-	
Goods and Services Receivables	8B	0	0	-	-	-	3,234	4,844	3,234	4,844	-	-	
Total Financial Assets (Recognised)		0	9,000	0	0	0	9,682	7,555	16,555	9,682	16,555	-	-
Total assets							17,844	24,877					
Financial Liabilities													
Grant liabilities	11D	-	-	-	-	-	-	18	-	18	-	-	-
Operating lease creditors	11C	-	-	-	-	-	-	0	-	0	-	-	-
Trade creditors		-	-	-	-	-	3,182	632	3,182	632	-	-	-
Total Financial Liabilities (Recognised)		0	0	0	0	0	3,182	650	3,182	650	-	-	-
Total Liabilities							3,182	650	3,182	650			
Liabilities not recognised		-	-	-	-	-	-	-	-	-	-	-	-
Guarantees		-	-	-	-	-	-	2,313	-	2,313	-	-	-
Other		-	-	-	-	-	-	-	-	-	-	-	-
Indemnities		-	-	-	-	-	-	-	-	-	-	-	-
Total Financial Liabilities (Unrecognised)		0	0	0	0	0	0	2,313	0	2,313	0	2,313	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 22 - Financial Instruments
Note 22C - Net Fair Values of Financial Assets and Liabilities

	Notes	1999-00		1998-99	
		Total Carrying Amount	Aggregate net fair value	Total Carrying Amount	Aggregate net fair value
		\$'000	\$'000	\$'000	\$'000
Departmental					
Financial Assets					
Cash at Bank		17,828	17,828	733	733
Accrued revenue		2,133	2,133	1,382	1,382
Receivables for goods and services	8A	97,675	97,675	3,667	3,667
Total Financial Assets		117,636	117,636	5,782	5,782
Financial Liabilities (Recognised)					
Lease incentives	10B	34	34	78	78
Borrowings	10A	0	0	4,000	4,000
Trade creditors	11B	49,558	49,558	14,770	14,770
Operating Lease Creditors	11B	0	0	213	213
Total Financial Liabilities (Recognised)		49,592	49,592	19,061	19,061
Total Financial Liabilities (Unrecognised)		0	0	0	0

		1999-00		1998-99	
		Total Carrying Amount	Aggregate net fair value	Total Carrying Amount	Aggregate net fair value
		\$'000	\$'000	\$'000	\$'000
Administered					
Financial Assets					
Cash		3,497	3,497	9,909	9,909
Other loans	8D	147	147	0	0
Fees Receivables	8B	3,234	3,234	4,844	4,844
Accrued Revenue	8C	2,951	2,951	1,802	1,802
Total Financial Assets		9,829	9,829	16,555	16,555
Financial Liabilities (Recognised)					
Trade Creditors	11C	3,182	3,182	632	632
Grant liabilities	11D	0	0	18	18
Total Financial Liabilities (Recognised)		3,182	3,182	650	650
Financial Liabilities (Unrecognised)					
Guarantees to public trading enterprises		0	0	0	0
Other guarantees		0	0	2,313	2,313
Indemnities		0	0	0	0
Total Financial Liabilities (Unrecognised)		0	0	2,313	2,313

Financial assets

The net fair values of cash and non-interest-bearing monetary financial assets approximate their carrying amounts.

The net fair values of loans receivable are based on discounted cash flows using current interest rates for assets with similar risk profiles.

Financial liabilities

The net fair values of the finance lease, surplus space and lease incentive liabilities, and guarantees are based on discounted cash flows using current interest rates for liabilities with similar risk profiles.

The net fair values for trade creditors and grant liabilities are short-term in nature, are approximated by their carrying amounts.

The net fair values of indemnities are regarded as the maximum possible loss which the Commonwealth faces while the indemnity remains current.

Note 22D - Credit Risk

The Department's maximum exposures to credit risk at reporting date in relation to each class of recognised financial asset is the carrying amount of those assets as indicated in the Statement of Assets and Liabilities.

The Department has no significant exposures to any concentration of credit risk.

All figures for credit risk referred to do not take into account the value of any collateral or other security.