

Financial Statements

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HUMAN RIGHTS AND EQUAL OPPORTUNITY COMMISSION

Financial Statements

 for the period ended 30 June 2008

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INDEPENDENT AUDITOR'S REPORT

To the Attorney-General

Scope

We have audited the accompanying financial statements of the Human Rights and Equal Opportunity Commission for the year ended 30 June 2008, which comprise: a statement by the Chief Executive and Chief Finance Office; income statement; balance sheet; statement of changes in equity; cash flow statement; schedule of commitments and contingencies; a summary of significant accounting policies; and other explanatory notes.

The Responsibility of the Chief Executive for the Financial Statements

The Chief Executive is responsible for the preparation and fair presentation of the financial statements in accordance with Finance Minister's Orders made under the *Financial Management and Accountability Act 1997* and Australian Accounting Standards (including Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on our audit. Our audit has been conducted in accordance with Australian National Audit Office Auditing Standards, which incorporate Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 Human Rights and Equal Opportunity Commission's preparation and fair presentation of the financial statements 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 Human Rights and Equal Opportunity Commission's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Chief Executive, as well as evaluating the overall presentation of the financial statements.

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

Independence

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

Auditor's Opinion

In my opinion, the financial statements of the Human Rights and Equal Opportunity Commission:

- (a) have been prepared in accordance with Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, and Australian Accounting Standards (including Australian Accounting Interpretations); and
- (b) give a true and fair view of the matters required by the Finance Minister's Orders including the Human Rights and Equal Opportunity Commission's financial position as at 30 June 2008 and its financial performance and its cash flows for the year then ended.

Australian National Audit Office



P Hinchey
Senior Director
Delegate of the Auditor-General

Sydney
21 August 2008


HUMAN RIGHTS AND EQUAL OPPORTUNITY COMMISSION

Financial Statements

for the period ended 30 June 2008

STATEMENT BY THE CHIEF EXECUTIVE AND CHIEF FINANCE OFFICER

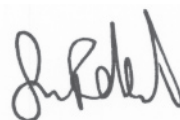
In our opinion, the attached financial statements for the period ended 30 June 2008 are based on properly maintained financial records and give a true and fair view of the matters required by the Finance Ministers Orders made under the *Financial Management and Accountability Act 1997*, as amended.



The Hon. John von Doussa QC
President & Chief Executive

21st

August 2008



Susan Roberts
Chief Finance Officer

21

August 2008

HUMAN RIGHTS AND EQUAL OPPORTUNITY COMMISSION

INCOME STATEMENT

for the period ended 30 June 2008

	Notes	2008 \$'000	2007 \$'000
INCOME			
Revenue			
Revenue from Government	3A	14,981	14,820
Sale of goods and rendering of services	3B	4,510	4,327
Other revenue	3C	49	48
Total revenue		<u>19,540</u>	<u>19,195</u>
Gains			
Other gains	3D	45	45
Total gains		<u>45</u>	<u>45</u>
TOTAL INCOME		<u>19,585</u>	<u>19,240</u>
EXPENSES			
Employee benefits	4A	10,750	9,488
Suppliers	4B	8,622	8,513
Depreciation and amortisation	4C	380	458
Finance costs	4D	23	15
Write-down and impairment of assets	4E	13	71
TOTAL EXPENSES		<u>19,788</u>	<u>18,545</u>
SURPLUS/(DEFICIT)		<u>(203)</u>	<u>695</u>

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

Financial Statements

HUMAN RIGHTS AND EQUAL OPPORTUNITY COMMISSION

BALANCE SHEET as at 30 June 2008

	Notes	2008 \$'000	2007 \$'000
ASSETS			
Financial Assets			
Cash and cash equivalents	5A	511	1,282
Trade and other receivables	5B	<u>7,440</u>	<u>5,860</u>
Total financial assets		<u>7,951</u>	<u>7,142</u>
Non-Financial Assets			
Infrastructure, plant and equipment	6A,D	1,626	2,362
Intangibles	6B,E	20	9
Other non-financial assets	6C	<u>250</u>	<u>365</u>
Total non-financial assets		<u>1,896</u>	<u>2,736</u>
TOTAL ASSETS		<u><u>9,847</u></u>	<u><u>9,878</u></u>
LIABILITIES			
Payables			
Suppliers	7A	311	241
Other payables	7B	<u>1,069</u>	<u>424</u>
Total payables		<u>1,380</u>	<u>665</u>
Non-Interest Bearing Liabilities			
Lease incentives	8A	<u>146</u>	<u>194</u>
Total interest bearing liabilities		<u>146</u>	<u>194</u>
Provisions			
Employee provisions	9A	2,376	1,878
Other provisions	9B	<u>2,190</u>	<u>2,722</u>
Total provisions		<u>4,566</u>	<u>4,600</u>
TOTAL LIABILITIES		<u><u>6,092</u></u>	<u><u>5,459</u></u>
Net Assets		<u><u>3,755</u></u>	<u><u>4,420</u></u>
EQUITY			
Contributed equity		1,342	1,231
Reserves		1,094	1,763
Retained surplus		<u>1,319</u>	<u>1,426</u>
TOTAL EQUITY		<u><u>3,755</u></u>	<u><u>4,420</u></u>
Current Assets		8,040	7,295
Non-Current Assets		1,807	2,583
Current Liabilities		4,518	3,856
Non-Current Liabilities		1,574	1,603

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

STATEMENT OF CHANGES IN EQUITY
for the period ended 30 June 2008

	Retained Earnings		Asset Revaluation Reserves		Contributed Equity/Capital		Total Equity	
	2008	2007	2008	2007	2008	2007	2008	2007
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance								
Balance carried forward from previous period	1,426	809	1,763	1,779	1,231	1,099	4,420	3,687
Adjustment for errors	96	(14)	-	-	-	-	96	(14)
Adjustment for changes in accounting policies	-	(64)	-	-	-	-	-	(64)
Adjusted opening balance	1,522	731	1,763	1,779	1,231	1,099	4,516	3,609
Income and expenses								
Revaluations recognised Directly in Equity:								
Computer plant and equipment	-	-	103	-	-	-	103	-
Leasehold improvements	-	-	(772)	(16)	-	-	(772)	(16)
Sub-total income and expenses recognised Directly in Equity	-	731	(669)	(16)	-	-	(669)	-
Surplus/(Deficit) for the period	(203)	695	-	-	-	-	(203)	695
Total income and expenses	(203)	695	(669)	(16)	-	-	(872)	679
Contributions by Owners								
Appropriation (equity injection)	-	-	-	-	111	132	111	132
Sub-total transactions with owners	-	-	-	-	111	132	111	132
Closing balance at 30 June attributable to the Australian Government	1,319	1,426	1,094	1,763	1,342	1,231	3,755	4,420

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

Financial Statements

HUMAN RIGHTS AND EQUAL OPPORTUNITY COMMISSION

CASH FLOW STATEMENT for the period ended 30 June 2008

	Notes	2008 \$'000	2007 \$'000
OPERATING ACTIVITIES			
Cash received			
Goods and services		4,648	5,780
Appropriations		14,981	14,820
Net GST received		297	136
Total cash received		19,926	20,736
Cash used			
Employees		(10,252)	(9,346)
Suppliers		(8,771)	(7,842)
Total cash used		(19,023)	(17,188)
Net cash flows from operating activities	10	903	3,548
INVESTING ACTIVITIES			
Cash used			
Purchase of property, plant and equipment		(268)	(562)
Purchase of intangibles		(17)	-
Total cash used		(285)	(562)
Net cash flows used by investing activities		(285)	(562)
FINANCING ACTIVITIES			
Cash received			
Appropriations - contributed equity		111	132
Total cash received		111	132
Cash used			
Other cash used		(1,500)	(2,750)
Total cash used		(1,500)	(2,750)
Net cash flows used by financing activities		(1,389)	(2,618)
Net increase/(decrease) in cash held		(771)	368
Cash and cash equivalents at the beginning of the reporting period		1,282	914
Cash and cash equivalents at the end of the reporting period	5A	511	1,282

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

HUMAN RIGHTS AND EQUAL OPPORTUNITY COMMISSION

SCHEDULE OF COMMITMENTS

as at 30 June 2008

BY TYPE	2008 \$'000	2007 \$'000
Commitments Receivable		
Sublease rental income	(2,176)	(2,866)
Other commitments receivable	(4,012)	(4,287)
Total Commitments Receivable	<u>(6,188)</u>	<u>(7,153)</u>
Capital Commitments		
Infrastructure, plant and equipment ¹	179	101
Total capital commitments	<u>179</u>	<u>101</u>
Other commitments		
Operating leases ²	7,971	9,508
Other commitments payable	126	249
Total other commitments	<u>8,097</u>	<u>9,757</u>
Net commitments by type	<u>2,088</u>	<u>2,705</u>
BY MATURITY		
Commitments receivable		
Operating lease income		
One year or less	(777)	(690)
From one to five years	(1,399)	(2,176)
Total operating lease income	<u>(2,176)</u>	<u>(2,866)</u>
Other commitments receivable		
One year or less	(1,137)	(1,171)
From one to five years	(2,875)	(3,116)
Total other commitments receivable	<u>(4,012)</u>	<u>(4,287)</u>
Commitments payable		
Capital commitments		
One year or less	179	101
Total capital commitments	<u>179</u>	<u>101</u>
Operating lease commitments		
One year or less	2,660	2,347
From one to five years	5,311	7,161
Total operating lease commitments	<u>7,971</u>	<u>9,508</u>
Other Commitments		
One year or less	93	183
From one to five years	33	66
Total other commitments	<u>126</u>	<u>249</u>
Net Commitments by Maturity	<u>2,088</u>	<u>2,705</u>

Note: Commitments are GST inclusive where relevant.

1. Outstanding payments for leasehold improvements.

Nature of leases/General description

2. Operating leases included are effectively non-cancellable and comprise:

Leases for office accommodation

Lease payments are subject to fixed annual rental increases. The initial periods of office accommodation are still current and there are no options in the lease agreement to renew.

Agreements for the provision of motor vehicles to senior executive officers

No contingent rentals exist and there are no renewal or purchase options available to the Commission.

Lease agreement in relation to the provision of desktop computer equipment and printers

The lessor provides all desktop computer equipment and software. The lease agreement allows for variations to the duration of the rental period and to the equipment being provided.

Other commitments

Consists of agreements with other entities for the provision of goods and services, outgoings and agreements equally proportionately unperformed.

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

HUMAN RIGHTS AND EQUAL OPPORTUNITY COMMISSION

SCHEDULE OF CONTINGENCIES
as at 30 June 2008

	2008 \$'000	2007 \$'000
Contingent assets	-	-
Contingent liabilities	-	-
<i>Net contingent assets/(liabilities)</i>	<u>-</u>	<u>-</u>

Details of each class of contingent liabilities and assets, including those not included above because they cannot be quantified, are disclosed in Note 11: Contingent Liabilities and Assets.

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

Human Rights and Equal Opportunity Commission
Notes to and forming part of the financial statements

for the period ended 30 June 2008

Note 1: Summary of significant accounting policies

1.1 Objectives of the Human Rights and Equal Opportunity Commission

The Human Rights and Equal Opportunity Commission (the Commission) is an Australian Public Service organisation. The objective of the Commission is to ensure that Australians have access to independent human rights complaint handling and public inquiries processes and benefit from human rights education, promotion, monitoring and compliance activities.

The Commission is structured to meet the following outcome:

"An Australian society in which the human rights of all are respected, protected and promoted."

Commission activities contributing toward these outcomes are classified as departmental. Departmental activities involve the use of assets, liabilities, revenues and expenses controlled or incurred by the Commission in its own right. Departmental activities are identified under one output:

"Australians have access to independent human rights complaint handling and public inquiries processes and benefit from human rights education, promotion and monitoring and compliance activities."

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

1.2 Basis of Preparation of the Financial Report

The Financial Statements and notes are required by section 49 of the *Financial Management and Accountability Act 1997* and are a General Purpose Financial Report.

The Financial Statements and notes have been prepared in accordance with:

(Finance Minister's Orders (or FMOs) or reporting periods ending on or after 1 July 2007; and

(Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial report has been prepared on an accrual basis and is in accordance with the historical cost convention, except for certain assets 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 Report is presented in Australian dollars and values are rounded to the nearest thousand dollars unless otherwise specified.

Unless an alternative treatment is specifically required by an Accounting Standard or the FMOs, assets and liabilities are recognised in the Balance Sheet when and only when it is probable that future economic benefits will flow to the Commission 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 agreements equally proportionately unperformed are not recognised unless required by an Accounting Standard. Liabilities and assets that are unrealised are reported in the Schedule of Commitments and the Schedule of Contingencies.

Unless alternative treatment is specifically required by an accounting standard, revenues and expenses are recognised in the Income Statement 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

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

Human Rights and Equal Opportunity Commission Notes to and forming part of the financial statements

for the period ended 30 June 2008

1.4 Statement of Compliance

Australian Accounting Standards require a statement of compliance with International Financial Reporting Standards (IFRSs) to be made where the financial report complies with these standards. Some Australian equivalents to IFRSs and other Australian Accounting Standards contain requirements specific to not-for-profit entities that are inconsistent with IFRS requirements. The Commission is a not-for-profit entity and has applied these requirements, so while this financial report complies with Australian Accounting Standards including Australian Equivalents to International Financial Reporting Standards (AEIFRSs) it cannot make this statement.

Adoption of new Australian Accounting Standard requirements

No accounting standards have been adopted earlier than the application date as stated in the standard. The following new standard are applicable to the current reporting period:

Financial instrument disclosure

AASB 7 *Financial Instruments: Disclosures* is effective for reporting periods beginning on or after 1 January 2007 (the 2007-08 financial year) and amends the disclosure requirements for financial instruments. In general AASB 7 requires greater disclosure than that previously required. Associated with the introduction of AASB 7, a number of accounting standards were amended to reference the new standard or remove the present disclosure requirements through 2005-10 Amendments to Australian Accounting Standards [AASB 132, AASB 101, AASB 114, AASB 117, AASB 133, AASB 139, AASB 1, AASB 4, AASB 1023 & AASB 1038]. These changes have no financial impact but will effect the disclosure presented in future financial reports.

The following new standards, amendments to standards or interpretations for the current financial year have no material financial impact on the Commission.

2007-5 *Amendments to Australian Accounting Standard - Inventories Held for Distribution by Not-for Profit Entities [AASB 102]*

2007-7 *Amendments to Australian Accounting Standards*

UIG Interpretation 10 AASB 2 – *Interim Financial Reporting and Impairment*

UIG Interpretation 11 AASB 2 – *Group and Treasury Share Transactions* and 2007-1 *Amendments to Australian Accounting Standards arising from AASB Interpretation 11*

UIG Interpretation 1003 – *Australian Petroleum Resource Rent Tax*

ERR Erratum – *Proportionate Consolidation [AASB 101, AASB 107, AASB 121, AASB 127, Interpretation 13]*

Future Australian Accounting Standard requirements

The following new standards, amendments to standards or interpretations have been issued by the Australian Accounting Standards Board but are effective for future reporting periods. It is estimated that the impact of adopting these pronouncements when effective will have no material financial impact on future reporting periods but may effect disclosure presented in future financial statements.

AASB 3 - *Business Combinations*

AASB 8 - *Operating Segments*

AASB 101 - *Presentation of Financial Statements (issued September 2007)*

AASB 123 - *Borrowing Costs*

AASB 127 - *Consolidated and Separate Financial Statements*

AASB 1004 - *Contributions*

AASB 1050 - *Administered Items*

AASB 1051 - *Land Under Roads*

AASB 1052 - *Disaggregated Disclosures*

AASB 2007-2 - *Amendments to Australian Accounting Standards arising from AASB interpretation 12 [AASB 1, AASB 117, AASB 118, AASB 120, AASB 121, AASB 127, AASB 131 & AASB 139]*

AASB 2007-3 - *Amendments to Australian Accounting Standards arising from AASB 8*

AASB 2007-6 *Amendments to Australian Accounting Standards arising from AASB 123*

AASB 2007-8 - *Amendments to Australian Accounting Standards arising from AASB 101*

Human Rights and Equal Opportunity Commission
Notes to and forming part of the financial statements

for the period ended 30 June 2008

AASB 2007-9 - *Amendments to Australian Accounting Standards arising from the Review of AAS's 27, 29 & 31* [AASB 3, AASB 5, AASB 8, AASB 101, AASB 114, AASB 116, AASB 127 & AASB 137]

AASB 2008-1 - *Amendments to Australian Accounting Standards - Shared-based payments: Vesting Conditions and Cancellations* [AASB 2]

Instruments and Obligations arising on Liquidation [AASB 7, AASB 101, AASB 132, AASB 139 & Interpretation 2]

AASB 2008-3 - *Amendments to Australian Accounting Standards arising from AASB 3 & AASB 127* [AASB's 1,2,4,5,7, 101, 107, 112, 114, 116, 121, 128, 131, 132, 133, 134, 136, 137, 138 & 139 and & Interpretations 9 & 107]

AASB Interpretation 1 - *Changes in existing Decommissioning, Restoration and Similar Liabilities*

AASB Interpretation 4 - *Determining Whether an Arrangement Contains a Lease*

AASB Interpretation 12 *Service Concession Arrangements* and 2007-2 *Amendments to Australian Accounting Standards arising from AASB Interpretation 12*

AASB Interpretation 13 *Customer Loyalty Programmes*

AASB Interpretation 14 *AASB 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements*

AASB Interpretation 129 – *Service Concession Arrangements Disclosures*

AASB Interpretation 1038 – *Contributions to Owners Made to Wholly-owned Public Sector Entities*

Other

The following standards and interpretations have been issued but are not applicable to the operations of the Commission.

AASB 1049 Financial Reporting of General Government Sectors by Governments

AASB 1049 specifies the reporting requirements for the General Government Sector. The FMOs do not apply to this reporting or the consolidated financial statements of the Australian Government.

1.5 Revenue

Revenue from Government

Amounts appropriated for departmental appropriations for the year (adjusted for any formal additions and reductions) are recognised as revenue when the Commission 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.

Other Types of Revenue

Revenue from the sale of goods is recognised when:

- ⟨ The risks and rewards of ownership have been transferred to the buyer;
- ⟨ The seller retains no managerial involvement nor effective control over the goods;
- ⟨ The revenue and transaction costs incurred can be reliably measured; and
- ⟨ It is probable that the economic benefits associated with the transaction will flow to the Commission.

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:

- ⟨ The amount of revenue, stage of completion and transaction costs incurred can be reliably measured; and
- ⟨ The probable economic benefits with the transaction will flow to the Commission.

The stage of completion of contracts at the reporting date is determined by reference to 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 provision for bad and doubtful debts. Collectability of debts is reviewed at balance date. Provisions are made when collectability of the debt is no longer probable.

Human Rights and Equal Opportunity Commission Notes to and forming part of the financial statements

for the period ended 30 June 2008

1.6 Gains

Other 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.

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).

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

Sale of Assets

Gains from disposal of non-current 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) are recognised directly in Contributed Equity in that year.

1.8 Employee Benefits

Liabilities for services rendered by employees are recognised at the reporting date to the extent that they have not been settled.

Liabilities for 'short-term employee benefits' (as defined in AASB 119) and termination benefits due within twelve months of balance date 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.

All other employee benefit liabilities are measured at the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date.

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 Commission is estimated to be less than the annual entitlement for sick leave.

The leave liabilities are calculated on the basis of employees' remuneration, including the Commission'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 has been determined in accordance with applicable FMOs issued by the Department of Finance and Deregulation as at 30 June 2008. 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 Commission 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

Staff of the Commission 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 by the Department of Finance and Deregulation as an administered item.

The Commission makes employer contributions to the employee superannuation schemes at rates determined by an actuary to be sufficient to meet the current cost to the Government of the superannuation entitlements of the Commission's employees. The Commission accounts for the contributions as if they were contributions to defined contribution plans.

From 1 July 2005, new employees are eligible to join the PSSap scheme.

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

Human Rights and Equal Opportunity Commission
Notes to and forming part of the financial statements

for the period ended 30 June 2008

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 non-current 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.

Where a non-current asset is acquired by means of a finance lease, the asset is capitalised at either the fair value of the lease property or, if lower, the present value of minimum lease payments at the inception of the contract and a liability is recognised at the same time and for the same amount.

The discount rate used is the interest rate implicit in the lease. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

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

1.10 Cash

Cash and cash equivalents includes notes and coins held and any deposits held at call with a bank or financial institution. Cash is recognised at its nominal amount.

1.11 Financial assets

The Commission classifies its financial assets 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.

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'. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non current assets. 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 each balance date.

(*Financial assets held at amortised cost* - If there is objective evidence that an impairment loss has been incurred for loans and receivables or held to maturity investments held at amortised cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount is reduced by way of an allowance account. The loss is recognised in the Income Statement.

1.12 Financial Liabilities

Financial liabilities are classified as 'other financial liabilities'.

Financial liabilities are recognised and derecognised upon 'trade date'.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial 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.

Supplier and other payables

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).

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for the period ended 30 June 2008

1.13 Contingent Liabilities and Contingent Assets

Contingent Liabilities and Contingent Assets are not recognised in the Balance Sheet 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.

1.14 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 revenues 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 Agency's accounts immediately prior to the restructuring.

1.15 Property, Plant and Equipment

Asset Recognition Threshold

Purchases of property, plant and equipment are recognised initially at cost in the Balance Sheet, 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 'makegood' provisions in property leases taken up by the Commission where there exists an obligation to restore the property to its original condition. These costs are included in the value of the Commission's leasehold improvements with a corresponding provision for the 'makegood' recognised.

Revaluations

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

Asset class	Fair value measured at:
Computer, plant and equipment	Market selling price
Leasehold improvements	Depreciated replacement cost

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

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reverses a previous revaluation decrement of the same asset class that was previously recognised through the operating result. Revaluation decrements for a class of assets are recognised directly through the operating result except to the extent that they reverse a previous revaluation increment for that class.

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

Depreciation

Depreciable infrastructure, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the Commission 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:

	<u>2008</u>	<u>2007</u>
Leasehold improvements	Lease term	Lease term
Computer, Plant and Equipment	4 to 10 years	4 to 10 years

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Impairment

All assets were assessed for impairment at 30 June 2008. 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 Commission were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

1.16 Intangibles

The Commission's intangibles comprise internally developed and customised 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 life. The useful lives of the Commission's software are 2 to 5 years (2006-07: 2 to 5 years).

All software assets were assessed for indications of impairment as at 30 June 2008.

1.17 Taxation

The Commission 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 where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- ⟨ except for receivables and payables.

Note 2: Events after the balance sheet date

The Commission is not aware of any significant events that have occurred since balance date which warrant disclosure in these financial statements.

Note 3: Income

	2008	2007
	\$'000	\$'000
<u>Revenue</u>		
<u>Note 3A: Revenue from Government</u>		
Appropriations:		
Departmental outputs	14,981	14,820
<u>Total revenue from Government</u>	<u>14,981</u>	<u>14,820</u>
<u>Note 3B: Sale of goods and rendering of services</u>		
Provision of goods - related entities	1	1
Provision of goods - external parties	16	11
Rendering of services - related entities	4,217	4,085
Rendering of services - external parties	276	230
<u>Total sale of goods and rendering of services</u>	<u>4,510</u>	<u>4,327</u>
<u>Note 3C: Other revenue</u>		
Deferred Revenue	49	48
<u>Total other revenue</u>	<u>49</u>	<u>48</u>
<u>Note 3D: Other gains</u>		
Resources received free of charge	45	45
<u>Total other gains</u>	<u>45</u>	<u>45</u>

Human Rights and Equal Opportunity Commission
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Note 4: Expenses

	2008	2007
	\$'000	\$'000
Note 4A: Employee benefits		
Wages and salaries	8,328	7,234
Superannuation:		
Defined contribution plans	144	317
Defined benefit plans	1,100	796
Leave and other entitlements	1,000	800
Separation and redundancies	101	284
Other employee expenses	<u>77</u>	<u>57</u>
Total employee benefits	<u>10,750</u>	<u>9,488</u>
Note 4B: Suppliers		
Provision of goods – related entities	10	7
Provision of goods – external parties	850	846
Rendering of services – related entities	912	883
Rendering of services – external parties	4,903	4,938
Operating lease rentals:		
Minimum lease payments	1,913	1,806
Workers compensation premiums	<u>34</u>	<u>33</u>
Total supplier expenses	<u>8,622</u>	<u>8,513</u>
Note 4C: Depreciation and amortisation		
Depreciation:		
Infrastructure, plant and equipment		
Computer plant and equipment	<u>215</u>	<u>230</u>
Total depreciation	<u>215</u>	<u>230</u>
Amortisation:		
Infrastructure, plant and equipment		
Leasehold improvements	109	190
Deferred costs - make good	<u>50</u>	<u>36</u>
	159	226
Intangibles:		
Computer Software	<u>6</u>	<u>2</u>
Total amortisation	<u>165</u>	<u>228</u>
Total depreciation and amortisation	<u>380</u>	<u>458</u>
Note 4D: Finance costs		
Unwinding of discounted cashflows for make good provisions	<u>23</u>	15
Total finance costs	<u>23</u>	<u>15</u>
Note 4E: Write-down and impairment of assets		
Financial assets		
Bad debts expense	1	-
Non-financial assets		
Infrastructure, plant and equipment - written off	12	10
Infrastructure, plant and equipment - revaluation decrement	<u>-</u>	<u>61</u>
Total write-down and impairment of assets	<u>13</u>	<u>71</u>

Human Rights and Equal Opportunity Commission
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for the period ended 30 June 2008

Note 5: Financial Assets

	2008 \$'000	2,007 \$'000
Note 5A: Cash and cash equivalents		
Cash on hand or on deposit	511	1,282
Total cash and cash equivalents	<u>511</u>	<u>1,282</u>
Note 5B: Trade and other receivables		
Goods and services	161	63
Appropriations receivable: for existing outputs	7,250	5,750
GST receivable from the Australian Taxation Office	29	47
Total trade and other receivables (gross)	<u>7,440</u>	<u>5,860</u>
All trade and other receivables assets are current.		
Receivables are aged as follows:		
Not overdue	7,431	5,849
Overdue by:		
Less than 30 days	1	-
30 to 60 days	-	9
61 to 90 days	-	-
More than 90 days	8	2
Total receivables (gross)	<u>7,440</u>	<u>5,860</u>

Note 6: Non-Financial Assets

	2008 \$'000	2007 \$'000
Note 6A: Infrastructure, plant and equipment		
Computer, plant and equipment		
- gross carrying value (at fair value)	635	599
- accumulated depreciation	-	-
Total computer, plant and equipment	<u>635</u>	<u>599</u>
Leasehold Improvements		
- gross carrying value (at fair value)	991	1,763
- accumulated depreciation	-	-
Total leasehold improvements	<u>991</u>	<u>1,763</u>
Total infrastructure, plant and equipment (non-current)	<u>1,626</u>	<u>2,362</u>

All revaluations are conducted in accordance with the revaluation policy stated at Note 1. In 2007-08, an independent valuer (AON Valuation Services) conducted the revaluations.

A revaluation decrement of \$771,960 for leasehold improvements (2007: decrement of \$15,900) has been credited to the asset revaluation reserve by asset class and included in the equity section of the balance sheet; a revaluation increment of \$103,709 for computer, plant and equipment has been debited to the asset revaluation reserve by asset class and included in the equity section of the balance sheet (2007: \$60,592 expensed).

No indicators of impairment were found for infrastructure, plant and equipment.

Human Rights and Equal Opportunity Commission
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for the period ending 30 June 2008

Note 6: Non-Financial Assets

	2008 \$'000	2007 \$'000
Note 6B: Intangibles		
Computer software at cost:		
Internally developed – in use	410	410
Internally customised – in use	28	11
Total Computer Software	438	421
Accumulated amortisation	(418)	(412)
Total intangibles (non-current)	20	9

No indicators of impairment were found for intangible assets.

Note 6C: Other non-financial assets

Prepayments	89	153
Deferred costs - make good	388	388
Accumulated amortisation - make good	(227)	(176)
Total other non-financial assets	250	365

All other non-financial assets are represented by:

Current	89	153
Non-current	161	212
Total other non-financial assets	250	365

Note 6D: Analysis of infrastructure, plant and equipment

TABLE A – Reconciliation of the opening and closing balances of infrastructure, plant and equipment (2007-08)

Item	Infrastructure, plant & equipment		
	Computer, plant & equipment \$'000	Leasehold improvements \$'000	Total \$'000
As at 1 July 2007			
Gross book value	599	1,763	2,362
Accumulated depreciation/amortisation and impairment	-	-	-
Net book value 1 July 2007	599	1,763	2,362
Additions:			
by purchase	159	109	268
Net revaluation increment/(decrement) recognised through equity	103	(772)	(669)
Depreciation/amortisation expense	(215)	(109)	(324)
Net revaluation decrement recognised in the operating result	-	-	-
Disposals:			
Other disposals	(11)	-	(11)
Net book value 30 June 2008	635	991	1,626
Net book value as of 30 June 2008 represented by:			
Gross book value	635	991	1,626
Accumulated depreciation/amortisation and impairment	-	-	-
	635	991	1,626

Human Rights and Equal Opportunity Commission
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for the period ended 30 June 2008

Note 6: Non-Financial Assets (continued)

TABLE A – Reconciliation of the opening and closing balances of infrastructure, plant and equipment (2006-07)

Item	Infrastructure, plant & equipment		
	Computer, plant & equipment \$'000	Leasehold improvements \$'000	Total \$'000
As at 1 July 2006			
Gross book value	528	1,779	2,307
Accumulated depreciation/amortisation and impairment	-	-	-
Net book value 1 July 2006	528	1,779	2,307
Additions:			
by purchase	372	190	562
Net revaluation decrement recognised through equity	-	(16)	(16)
Depreciation/amortisation expense	(230)	(190)	(420)
Net revaluation decrement recognised in the operating result	(61)	-	(61)
Disposals:			
Other disposals	(10)	-	(10)
Net book value 30 June 2007	599	1,763	2,362
Net book value as of 30 June 2007 represented by:			
Gross book value	599	1,763	2,362
Accumulated depreciation/amortisation and impairment	-	-	-
	599	1,763	2,362

Note 6E: Intangibles

Table B: Reconciliation of the opening and closing balances of intangibles (2007-08)

Item	Intangibles	
	Computer software \$'000	Total \$'000
As at 1 July 2007		
Gross book value	421	421
Accumulated depreciation/amortisation and impairment	(412)	(412)
Net book value 1 July 2007	9	9
Additions	17	17
Amortisation	(6)	(6)
Net book value 30 June 2008	20	20
Net book value as of 30 June 2008 represented by:		
Gross book value	438	438
Accumulated depreciation/amortisation and impairment	(418)	(418)
	20	20

Human Rights and Equal Opportunity Commission
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for the period ended 30 June 2008

Note 6: Non-Financial Assets (continued)

Note 6E: Intangibles (continued)

Table B: Reconciliation of the opening and closing balances of intangibles (2006-07)

Item	Intangibles	
	Computer software \$'000	Total \$'000
As at 1 July 2006		
Gross book value	421	421
Accumulated amortisation and impairment	(410)	(410)
Net book value 1 July 2007	11	11
Additions:		
by purchase	-	-
Amortisation	(2)	(2)
Net book value 30 June 2007	9	9
Net book value as of 30 June 2007 represented by:		
Gross book value	421	421
Accumulated depreciation/amortisation and impairment	(412)	(412)
	9	9

Note 7: Payables

	2008 \$'000	2007 \$'000
Note 7A: Suppliers		
Trade creditors	311	241
Total supplier payables	311	241

All supplier payables are current liabilities.
Settlement is generally made in accordance with the terms of the supplier invoice.

Note 7B: Other payables

	2008 \$'000	2007 \$'000
Accrued expenses	1,069	424
Total other payables	1,069	424
Other payables are represented by:		
Current	490	305
Non-current	579	119
Total other payables	1,069	424

Note 8: Non Interest Bearing Liabilities

	2008 \$'000	2007 \$'000
Note 8A: Other non interest bearing liabilities		
Lease incentives	146	194
Total other non interest bearing liabilities	146	194

Other non interest bearing liabilities are represented by:

	2008 \$'000	2007 \$'000
Current	49	49
Non-current	97	145
Total other non interest bearing liabilities	146	194

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for the period ended 30 June 2008

Note 9: Provisions

	2008 \$'000	2007 \$'000
Note 9A: Employee provisions		
Salaries and wages	101	67
Leave	2,241	1,766
Superannuation	15	10
Other	19	35
Total employee provisions	2,376	1,878

Employee provisions are represented by:

Current	1,963	1,541
Non-current	413	337
Total employee provisions	2,376	1,878

The classification of current includes amounts for which there is not an unconditional right of deferral of one year, hence in the case of employee provisions the above classification does not equal the amount expected to be settled within one year of reporting date. Employee provisions expected to be settled in one year \$1,135,293 (2007: \$912,097), in excess of one year \$1,241,818 (2007: \$966,045).

Note 9B: Other provisions

Revenue received in advance	1,442	1,621
Restoration obligations	485	462
Provision for contract obligations	263	639
Total other provisions	2,190	2,722

Other provisions are represented by:

Current	1,705	1,720
Non-current	485	1,002
Total other provisions	2,190	2,722

	Revenue received in advance \$'000	Provision for restoration obligations \$'000	Provision for contract obligations \$'000	Total \$'000
Carrying amount 1 July 2007	1,621	462	639	2,722
Additional provisions made	1,951	-	263	2,214
Amounts used	(2,130)	-	(607)	(2,737)
Amounts reversed	-	-	(32)	(32)
Unwinding of discount	-	23	-	23
Closing balance 30 June 2008	1,442	485	263	2,190

The Commission currently has an agreement for the leasing of premises which has a provision requiring the Commission to restore the premises to their original condition at the conclusion of the lease. The Commission has made a provision to reflect the present value of this obligation.

Human Rights and Equal Opportunity Commission
Notes to and forming part of the financial statements

for the period ended 30 June 2008

Note 10: Cash Flow Reconciliation

	2008 \$'000	2007 \$'000
Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement		
Report cash and cash equivalents as per:		
Cash Flow Statement	511	1,282
Balance Sheet	<u>511</u>	<u>1,282</u>
Difference	<u>-</u>	<u>-</u>
Reconciliation of operating result to net cash from operating activities:		
Operating result	(203)	695
Depreciation /amortisation	380	458
Finance costs for restoration obligations	23	15
Net write down of non financial assets	12	71
Net write down of financial assets	(1)	-
Adjustment for prior year accounting error	96	(14)
(Increase) / decrease in net receivables	(99)	1,156
(Increase) / decrease in prepayments	64	82
Increase / (decrease) in employee provisions	498	142
Increase / (decrease) in supplier payables	69	(284)
Increase / (decrease) in accrued expenses	645	292
Increase / (decrease) in other provisions	(532)	984
Increase / (decrease) in non interest bearing liabilities	(49)	(49)
Net cash from operating activities	<u><u>903</u></u>	<u><u>3,548</u></u>

Note 11: Contingent Liabilities and Assets

Unquantifiable Contingencies

At 30 June 2008, the Commission (or officers of the Commission) were named as a respondent in seven applications before the Federal Court, Queensland District Court and Administrative Appeals Tribunal.

The Commission is also appearing in two matters as an intervener and Commissioners are appearing in one matter as *amicus curiae*.

It is not possible to estimate the amounts of the eventual payments that may be required in relation to the unresolved claims, though it is not common for costs to be awarded against the Commission (or its officers) in these matters.

Human Rights and Equal Opportunity Commission
Notes to and forming part of the financial statements

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Note 12: Senior Executive Remuneration

	2008	2007
	<u>Number</u>	<u>Number</u>
The number of senior executives who received or were due to receive total remuneration of \$130,000 or more:		
\$130 000 to \$144 999	9	3
\$145 000 to \$159 999	1	1
\$160 000 to \$174 999	-	1
\$175 000 to \$189 999	-	1
\$190 000 to \$204 999	2	-
\$205 000 to \$219 999	1	-
\$230 000 to \$249 999	1	1
\$245 000 to \$259 999	1	1
\$305 000 to \$319 999	-	1
Total	<u><u>15</u></u>	<u><u>9</u></u>
The aggregate amount of total remuneration of senior executives shown above.	\$2 480 957	\$1 702 401
The aggregate amount of separation and redundancy/termination benefit payments during the year to executives shown above.	Nil	\$158 252

Note 13: Remuneration of Auditors

	2008	2007
	<u>\$'000</u>	<u>\$'000</u>
Financial statement audit services are provided free of charge to the Commission.		
The fair value of the services provided by the Auditor-General was:		
Financial Statement Audit	<u>45</u>	<u>45</u>
	<u><u>45</u></u>	<u><u>45</u></u>

No other services were provided by the Auditor-General.

Human Rights and Equal Opportunity Commission
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for the period ended 30 June 2008

Note 14: Financial Instruments

	2008 \$'000	2007 \$'000
14A: Categories of financial instruments		
Financial Assets		
Loans and receivables		
Cash and cash equivalents	511	1,282
Trade receivables	190	110
Appropriation receivable	7,250	5,750
Carrying amount of financial assets	7,951	7,142
Financial Liabilities		
Other liabilities		
Trade creditors	311	241
Accrued expenses	1,069	424
Lease incentives	146	194
Revenue received in advance	1,442	1,621
Carrying amount of financial liabilities	2,968	2,480

14B: Fair value of financial instruments

	Carrying amount	Fair value	Carrying amount	Fair value
	2008 \$'000	2008 \$'000	2007 \$'000	2007 \$'000
Financial Assets				
Cash and cash equivalents	511	511	1,282	1,282
Trade receivables	190	190	110	110
Appropriation receivable	7,250	7,250	5,750	5,750
Total	7,951	7,951	7,142	7,142
Financial Liabilities				
Trade creditors	311	311	241	241
Accrued expenses	1,069	1,069	424	424
Lease incentives	146	146	194	194
Revenue received in advance	1,442	1,442	1,621	1,621
Total	2,968	2,968	2,480	2,480

14C: Credit risk

The Commission'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 Balance Sheet.

The Commission has no significant exposures to any concentrations of credit risk.

The Commission does not hold any collateral to mitigate against credit risk.

Human Rights and Equal Opportunity Commission
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for the period ended 30 June 2008

Note 14: Financial Instruments (continued)

Credit quality of financial instruments not past due or individually determined as impaired:

	Not past due nor impaired	Not past due nor impaired	Past due or impaired	Past due or impaired
	2008	2007	2008	2007
	\$'000	\$'000	\$'000	\$'000
Loans and receivables				
Cash and cash equivalents	511	1,282	-	-
Trade receivables	181	99	9	11
Appropriation receivable	7,250	5,750	-	-
Total	7,942	7,131	9	11

Ageing of financial assets that are past due but not impaired for 2008:

	0 to 30 days	31 to 60 days	61 to 90 days	90+	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Loans and receivables					
Trade receivables	1	-	-	8	9
Total	1	-	-	8	9

Ageing of financial assets that are past due but not impaired for 2007:

	0 to 30 days	31 to 60 days	61 to 90 days	90+	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Loans and receivables					
Trade receivables	-	9	-	2	11
Total	-	9	-	2	11

14D: Liquidity risk

The Commission's financial liabilities are payables, accrued expenses, revenue received in advance and other non-interest bearing liabilities. The exposure to liquidity risk is based on the notion that the Commission will encounter difficulty in meeting its obligations associated with financial liabilities. This is highly unlikely due to appropriation funding and mechanisms available to the Commission (e.g. Advance to the Minister for Finance) and internal policies and procedures put in place to ensure there are appropriate resources to meet its financial obligations.

The following tables illustrate the maturities for financial liabilities:

	On demand	within 1 year	1 to 5 years	> 5 years	Total
	2008	2008	2008	2008	2008
	\$'000	\$'000	\$'000	\$'000	\$'000
Other liabilities					
Trade creditors	-	311	-	-	311
Accrued expenses	-	490	579	-	1,069
Lease incentives	-	49	97	-	146
Revenue received in advance	-	1,442	-	-	1,442
Total	-	2,292	676	-	2,968

	On demand	within 1 year	1 to 5 years	> 5 years	Total
	2007	2007	2007	2007	2007
	\$'000	\$'000	\$'000	\$'000	\$'000
Other liabilities					
Trade creditors	-	241	-	-	241
Accrued expenses	-	305	119	-	424
Lease incentives	-	49	145	-	194
Revenue received in advance	-	1,621	-	-	1,621
Total	-	2,216	264	-	2,480

Human Rights and Equal Opportunity Commission
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for the period ended 30 June 2008

Note 14: Financial Instruments (continued)

14E: Market risk

The Commission holds basic financial instruments that do not expose the Commission to certain market risks. The Commission is not exposed to 'Interest Rate Risk', 'Currency Risk' or 'Other Price Risk'.

Note 15: Appropriations

Table A: Acquittal of Authority to Draw Cash from the Consolidated Revenue Fund for Ordinary Annual Services Appropriations

Particulars	Departmental Outputs		Total	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Balance brought forward from previous period	7,012	3,894	7,012	3,894
Appropriation Act:				
Appropriation Act (No.1) 2007-08	15,500	13,725	15,500	13,725
Appropriation Act (No.3) 2007-08	(519)	1,095	(519)	1,095
Appropriation Act (No.5) 2007-08	-	-	-	-
Reductions of appropriations (Appropriation Act section 9)	-	-	-	-
Administered appropriation lapsed (Appropriation Act section 8)	-	-	-	-
Advance to the Finance Minister (Appropriation Act section 11)	-	-	-	-
Comcover receipts (Appropriation Act section 12)	-	-	-	-
FMA Act:				
Refunds credited (FMA section 30)	-	-	-	-
Appropriations to take account of recoverable GST (FMA section 30A)	297	136	297	136
Annotations to 'net appropriations' (FMA section 31)	4,648	5,780	4,648	5,780
Adjustment of appropriations on change of entity function (FMA section 32)	-	-	-	-
Total appropriation available for payments	26,938	24,630	26,938	24,630
Cash payments made during the year (GST inclusive)	19,180	17,618	19,180	17,618
Appropriations credited to Special Accounts (excluding GST)	-	-	-	-
Balance of Authority to Draw Cash from the Consolidated Revenue Fund for Ordinary Annual Services Appropriations	7,758	7,012	7,758	7,012
Represented by:				
Cash at bank and on hand	508	1,262	508	1,262
Departmental appropriations receivable	7,250	5,750	7,250	5,750
Undrawn, unexpired administered appropriations	-	-	-	-
Total	7,758	7,012	7,758	7,012

Departmental and non-operating appropriations do not lapse at financial year end.

Human Rights and Equal Opportunity Commission
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for the period ended 30 June 2008

Note 15: Appropriations (continued)

Table B: Acquittal of Authority to Draw Cash from the Consolidated Revenue Fund for Other than Ordinary Annual Services Appropriations

Particulars	Non – operating Equity		Total	
	2008 S'000	2007 S'000	2008 S'000	2007 S'000
Balance brought forward from previous period	20	20	20	20
Appropriation Act:				
Appropriation Act (No.2) 2007-08	111	44	111	44
Appropriation Act (No.4) 2007-08	-	88	-	88
Appropriation Act (No.6) 2007-08	-	-	-	-
Reductions of appropriations (Appropriation Act section 11)	-	-	-	-
Administered appropriation lapsed (Appropriation Act section 7 & 8)	-	-	-	-
Advance to the Finance Minister (Appropriation Act section 12)	-	-	-	-
FMA Act:				
Refunds credited (FMA section 30)	-	-	-	-
Appropriations to take account of recoverable GST (FMA section 30A)	-	-	-	-
Adjustment of appropriations on change of entity function (FMA section 32)	-	-	-	-
Total appropriations available for payments	131	152	131	152
Cash payments made during the year (GST inclusive)	128	132	128	132
Appropriations credited to Special Accounts (GST exclusive)	-	-	-	-
Balance of Authority to Draw Cash from the Consolidated Revenue Fund for Other Than Ordinary Annual Services Appropriations	3	20	3	20
Represented by:				
Cash at bank and on hand	3	20	3	20
Appropriation receivable	-	-	-	-
Undrawn, unexpired administered appropriations	-	-	-	-
Total	3	20	3	20

Note 16: Special Accounts

The Commission has an 'Other Trust Monies' and a 'Service for Other Governments and Non Agency Bodies' special accounts. Both accounts were established under Section 20 of the *Financial Management and Accountability Act 1997* (FMA Act). For the year ended 30 June 2008 both of these accounts had nil opening and closing balances and there were no transactions debited or credited to them in the 2007-08 financial year.

The purpose of the 'Other Trust Monies' special account is for the expenditure of monies temporarily held on trust or otherwise for the benefit of a person other than the Commonwealth. Any money held thus is special public money under section 16 of the FMA Act.

The purpose of the 'Services for Other Governments and Non Agency Bodies' special account is for the expenditure in connection with services performed on behalf of other Governments and bodies that are not Agencies under the FMA Act.

Human Rights and Equal Opportunity Commission Notes to and forming part of the financial statements

for the period ended 30 June 2008

Note 17: Reporting of Outcomes

The Commission is structured to meet one outcome. The Commission outcome and output structure is outlined in Note 1.1 to these financial statements. All resources available to be used by the Commission are directed towards the achievement of the Commission's outcome.

Note 17A: Net Cost of Outcome Delivery

	Outcome 1		Total	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Expenses				
Departmental	19,788	18,545	19,788	18,545
Total expenses	19,788	18,545	19,788	18,545
Costs recovered from provision of goods and services to the non government sector				
Departmental	292	241	292	241
Total costs recovered	292	241	292	241
Other external revenues				
Departmental	4,218	4,086	4,218	4,086
Total other external revenues	4,218	4,086	4,218	4,086
Net cost/(contribution) of outcome	15,278	14,218	15,278	14,218

Net costs shown include intra-government costs that are eliminated in calculating the actual Budget Outcome. Refer to the Outcome Resourcing Table on page 12 of this Annual Report.

Note 17B: Major Classes of Departmental Revenues and Expenses by Output Group and Output

Outcome 1	Output 1		Outcome 1 Total	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Departmental expenses				
Employee benefits	10,750	9,488	10,750	9,488
Suppliers	8,622	8,513	8,622	8,513
Depreciation and amortisation	380	458	380	458
Finance costs	23	15	23	15
Other expenses	13	71	13	71
Total departmental expenses	19,788	18,545	19,788	18,545
Funded by:				
Revenues from Government	14,981	14,820	14,981	14,820
Sales of goods and services	4,510	4,327	4,510	4,327
Other revenues	49	48	49	48
Total departmental revenues	19,540	19,195	19,540	19,195