

Annual Financial Statements

Accountable Officer's and Chief Finance and Accounting Officer's Declaration

Accountable Officer's and Chief Finance and Accounting Officer's Declaration

We certify that the attached financial statements for the Department of Justice have been prepared in accordance with Standing Direction 4.2 of the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian accounting standards and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the statement of financial performance, statement of financial position, statement of cash flows and notes to and forming part of the financial statements, presents fairly the financial transactions during the year ended 30 June 2004 and financial position of the Department as at 30 June 2004.

We are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.



Des Hill
Chief Finance and Accounting Officer
Department of Justice

Melbourne
20 August 2004



Penny Armytage
Secretary
Department of Justice

Melbourne
20 August 2004

Statement of financial performance

For the year ended 30 June 2004

	Notes	2004 \$'000	2003 \$'000
Revenue from ordinary activities			
Output appropriations	4	2,073,375	1,967,668
Special appropriations	4,5(c)	76,511	97,907
Resources received free of charge or for nominal consideration	4	0	71
Other revenue and revenue from other parties	4	64,612	61,237
		<u>2,214,498</u>	<u>2,126,883</u>
Expenses from ordinary activities			
Employee benefits	6	(326,481)	(303,992)
Depreciation and amortisation	6	(27,557)	(20,691)
Resources provided free of charge or for nominal consideration	1(s)	(1,503)	(178)
Grants and other payments	6	(1,426,670)	(1,381,739)
Capital asset charge		(42,459)	(38,980)
Supplies and services	6	(352,379)	(330,172)
Revaluation	10	(10,854)	0
Borrowing costs	6	(46)	0
Other expenses from ordinary activities		(1,212)	(369)
		<u>(2,189,161)</u>	<u>(2,076,121)</u>
Result from ordinary activities	15(c)	<u>25,337</u>	<u>50,762</u>
Adjustment resulting from change in accounting policy (note 1(p))	15(c)	0	(390)
Net increase in asset revaluation reserve	15(a)	22,774	0
Total changes in equity other than those resulting from transactions with Victorian State Government in its capacity as owner on behalf of the Crown	15(d)	<u>48,111</u>	<u>50,372</u>

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

Statement of financial position

As at 30 June 2004

	Notes	2004 \$'000	2003 \$'000
Current assets			
Cash assets	7,16	238,861	208,945
Receivables	8,16	176,793	134,262
Inventories	9	4,602	3,888
Prepayments		1,570	1,106
Total current assets		421,826	348,201
Non-current assets			
Receivables	8,16	70,501	73,071
Property, plant and equipment	10	579,617	513,076
Intangible assets	11	9,517	8,793
Total non-current assets		659,635	594,940
Total assets		1,081,461	943,141
Current liabilities			
Payables	12,16	119,909	88,550
Interest bearing liabilities	13,16	1,142	0
Provisions	14	23,729	21,355
Total current liabilities		144,780	109,905
Non-current liabilities			
Payables	12,16	59,293	62,503
Interest bearing liabilities	13,16	3,077	0
Provisions	14	55,832	54,349
Total non-current liabilities		118,202	116,852
Total liabilities		262,982	226,757
Net assets		818,479	716,384
Equity			
Contributed capital	15(b)	461,483	407,499
Reserves	15(a)	71,703	49,753
Accumulated surplus	15(c)	285,293	259,132
Total equity	15(d)	818,479	716,384
Contingent liabilities	20		
Commitments for expenditure	21		

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

Statement of cash flows

For the year ended 30 June 2004

	Notes	2004 \$'000	2003 \$'000
Cash flows from operating activities			
Receipts from Government		2,116,267	2,046,791
Receipts from other entities		8,233	8,325
Payments to suppliers and employees		(692,296)	(679,074)
Payments of grants and transfer payments		(1,426,670)	(1,381,739)
		5,534	(5,697)
Interest received		42,710	37,077
GST recovered from the ATO		44,265	38,655
GST paid to the ATO		(4,382)	(3,146)
Other revenue		11,709	19,620
Capital assets charge		(42,459)	(38,980)
Borrowing cost expense		(46)	0
Net cash inflow from operating activities	25	57,331	47,529
Cash flows from investing activities			
Payments for property, plant and equipment		(80,693)	(71,649)
Payments for software		(2,068)	(3,561)
Net cash (outflow) from investing activities		(82,761)	(75,210)
Cash flows from financing activities			
Proceeds from capital contribution by State Government		119,125	131,996
Capital contribution passed on to agencies		(63,665)	(77,719)
Equity transfers within government		0	7,374
Repayment of finance leases		(114)	0
Net cash inflow (outflow) from financing activities		55,346	61,651
Net increase (decrease) in cash held		29,916	33,970
Cash at the beginning of the financial year		208,945	174,975
Cash at the end of the financial year	7	238,861	208,945
Financing arrangements	13		

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

Notes to the financial statements

30 June 2004

Contents

Note	Page
1. Summary of significant accounting policies	83
2. Departmental outputs	89
3. Restructuring of administrative arrangements	94
4. Revenue from ordinary activities	96
5. Summary of compliance with annual parliamentary and special appropriations	96
6. Result from ordinary activities	99
7. Cash assets	100
8. Receivables	100
9. Inventories	101
10. Property, plant and equipment	101
11. Intangible assets	102
12. Payables	102
13. Interest bearing liabilities	103
14. Provisions	103
15. Equity and movements in equity	103
16. Financial instruments	104
17. Responsible persons	107
18. Remuneration of executives	108
19. Remuneration of auditors	109
20. Contingent liabilities and contingent assets	109
21. Commitments for expenditure	109
22. Employee benefits	111
23. Administered items	112
24. Ex-gratia payments	114
25. Reconciliation of results from ordinary activities to net cash inflow from operating activities	114
26. Funds administered for third parties	114
27. Impacts of adopting AASB equivalents to IASB standards	115

Note 1. Summary of significant accounting policies

This general-purpose financial report has been prepared on an accrual basis in accordance with the *Financial Management Act 1994*, Australian accounting standards, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board, and Urgent Issues Group Consensus Views.

It is prepared in accordance with the historical cost convention, except for certain assets and liabilities which, as noted, are at valuation. The accounting policies adopted, and the classification and presentation of items, are consistent with those of the previous year, except where a change is required to comply with an Australian accounting standard or Urgent Issues Group Consensus View. Where practicable, comparative amounts are presented and classified on a basis consistent with the current year.

(a) Reporting entity

Controlled resources

The financial statements include all the controlled activities of the Department of Justice.

A description of Departmental outputs undertaken during the year is included in note 2.

A number of reporting entities within the Justice Portfolio, which report separately, receive grants or transfer payments (refer note 6). These are:

- Chief Commissioner of Police
- Country Fire Authority
- Domestic Building (HIH) Indemnity Fund
- Equal Opportunity Commission
- Emergency Communications Victoria
- Judicial College of Victoria
- Gambling Research Panel
- Metropolitan Fire and Emergency Services Board
- Office of Public Prosecutions
- Office of the Public Advocate
- Office of the Victorian Privacy Commissioner
- Victoria Legal Aid
- Victorian Casino and Gaming Authority
- Victorian Electoral Commission
- Victorian Institute of Forensic Medicine
- Victorian Law Reform Commission

The following organisations also form part of the Justice Portfolio and they report separately but do not receive grants or transfer payments:

- Greyhound Racing Victoria
- Harness Racing Victoria
- Legal Ombudsman
- Legal Practice Board
- Legal Practitioners Liability Committee
- Residential Tenancies Bond Authority
- Senior Master of the Supreme Court

Note 1. Summary of significant accounting policies (continued)

Administered resources

The Department administers but does not control certain resources on behalf of the Victorian Government. It is accountable for the transactions involving those administered resources, but does not have the discretion to deploy the resources for achievement of the Department's objectives. For these resources, the Department acts only on behalf of the Victorian Government. Administered resources are accounted for using the accrual basis of accounting.

Transactions and balances relating to these administered resources are not recognised as Departmental revenues, expenses, assets or liabilities within the body of the financial statements, but are disclosed in the applicable output schedules (note 23).

Other administered activities on behalf of parties external to the Victorian Government

The Department of Justice has responsibility for transactions and balances relating to administered funds on behalf of third parties external to the Victorian Government. Revenues, expenses, assets and liabilities administered on behalf of third parties are not recognised in these financial statements as they are administered on a fiduciary and custodial basis, and therefore not controlled by the Department.

Non-current assets

All non-current assets, including Crown Land, controlled by the Department are reported in the statement of financial position. Non-current assets which the Department administers on behalf of the Victorian Government are reported as administered resources.

(b) Objectives and funding

The Department's objectives are for a safer community, a just society, confident consumers, responsible traders, achieving equality of opportunity and valuing difference and responsible management and regulation of gaming and racing activities.

The Department is predominantly funded by accrual-based parliamentary appropriations for the provision of outputs.

(c) Outputs of the Department

Information about the Department's output activities and the expenses, revenues, assets and liabilities which are reliably attributable to those output activities is set out in the output Activities Schedule (note 2). Information about expenses, revenues, assets and liabilities administered by the Department are given in the schedule of administered expenses and revenues and the administered assets and liabilities (note 23).

(d) Acquisitions of assets

The cost method of accounting is used for all acquisitions of assets. Cost is measured as the fair value of the assets given up or liabilities undertaken at the date of acquisition plus incidental costs directly attributable to the acquisition.

Assets acquired at no cost, or for nominal consideration, are initially recognised at their fair value at the date of acquisition.

(e) Revenue recognition

All revenue received by the Department is generally required to be paid into the Consolidated Fund.

Revenue becomes controlled by the Department when it has been appropriated from the Consolidated Fund by the Victorian Parliament and applied to the purposes defined under relevant appropriations act. Additionally, the Department is permitted under section 29 of the *Financial Management Act 1994* to have certain receipts annotated to the annual appropriation. The receipts which form part of a section 29 agreement are received by the Department and paid into the Consolidated Fund as administered revenue (note 23). At that point, section 29 provides for an equivalent amount to be added to the annual appropriation authority.

Amounts disclosed as revenue are, where applicable, net of returns, allowances and duties and taxes. Revenue is recognised for each of the Department's major activities as follows:

(i) Output revenue

Revenue from the outputs the Department provides to Government is recognised when those outputs have been delivered and the relevant Minister has certified delivery of those outputs in accordance with specified performance criteria.

(ii) Other revenues

Grants, donations, interest and other contributions to Trust Funds controlled by the Department, are recognised as revenue at the time of receipt or service.

(iii) Fines and fees

As the Department does not gain control over assets arising from fines and fees no revenue is recognised. The Department collects these amounts on behalf of the Crown. Accordingly, the amounts are disclosed as revenues in the schedule of administered revenue and expenses (note 23).

All other amounts or revenue over which the Department does not gain control are disclosed as administered revenue in the schedule of administered revenues and expenses (note 23).

(f) Receivables

All debtors are recognised at the amounts receivable as they are due for settlements at no more than 30 days from the date of recognition.

Collectability of debtors is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off. A provision for doubtful debt is raised when doubt as to collection exists.

(g) Inventories

Stores, work in progress and raw materials are stated at the lower of cost and net realisable value. Cost is based on the first-in, first-out principle and includes expenditure incurred in acquiring the inventories.

(h) Revaluations of non-current assets

Subsequent to initial recognition as assets, non-current physical assets, other than plant, equipment and vehicles are measured at fair value. Plant, equipment and vehicles are measured at cost. Revaluations are made with sufficient regularity to ensure that the carrying amount of each asset does not differ materially from its fair value at the reporting date. Revaluations are conducted in accordance with the Victorian Government Policy *Revaluation of Non-Current Physical Assets*.

In accordance with Victorian Government Policy and the transitional provisions of AASB 1041 *Revaluation of Non-Current Assets*, the Department will conduct progressive revaluations for the classes of non-current physical assets to be completed by the reporting period ending 30 June 2005. As at 30 June 2004, 50 per cent of the total value of non-current physical assets had been revalued.

Revaluation increments are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in net result, the increment is recognised immediately as revenue in net result.

Revaluation decrements are recognised immediately as expenses in the net result, except that, to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of assets, they are debited directly to the asset revaluation reserve.

Revaluation increments and decrements are offset against one another within a class of non-current assets.

Notes to the financial statements continued

30 June 2004

Note 1. Summary of significant accounting policies (continued)

(i) Depreciation of property, plant and equipment

Depreciation is calculated on a straight line basis to write off the net cost or 'deemed' net cost of each item of property (excluding land) over its expected useful life to the Department. Estimates of the remaining useful lives for all assets are reviewed at least annually. The expected useful lives for the financial years ended 30 June 2004 and 30 June 2003 are as follows:

Buildings	40 years
Plant and equipment	3–15 years

Where items of plant and equipment have separately identifiable components which are subject to regular replacement, those components are assigned useful lives distinct from the item of plant and equipment to which they relate.

Major spares purchased specifically for particular plant are capitalised and depreciated on the same basis as the plant to which they relate.

(j) Leasehold improvements

The cost of improvements to or on leasehold properties is amortised over the unexpired period of the lease or the estimated useful life of the improvement to the Department, whichever is the shorter. Leasehold improvements held at reporting date are being amortised between two to ten years.

(k) Leased non-current assets

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incident to ownership of leased non-current assets, and operating leases under which the lessor effectively retains substantially all such risks and benefits.

Finance leases are capitalised. A lease asset and liability are established at the present value of minimum lease payments. Lease payments are allocated between the principal component of the lease liability and the interest expense.

The lease asset is amortised on a straight line basis over the term of the lease, or where it is likely that the Department will obtain ownership of the asset, the expected useful life of the asset to the Department. Lease assets held at the reporting date are being amortised over periods ranging from one to three years.

Other operating lease payments are charged to the statement of financial performance in the periods in which they are incurred, as this represents the pattern of benefits derived from the leased assets.

(l) Intangible assets

Software

Significant costs associated with the acquisition or development of computer software are capitalised and amortised on a straight line basis over its expected useful life to the Department, which is seven years.

(m) Payables

These amounts represent liabilities for goods and services provided to the Department prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(n) Maintenance and repairs

Plant of the Department is required to be overhauled on a regular basis. This is managed as part of an ongoing major cyclical maintenance program. The costs of this maintenance are charged as expenses as incurred, except where they relate to the replacement of a component of an asset, in which case the costs are capitalised and depreciated in accordance with note 1(i). Other routine operating maintenance, repair costs and minor renewals are also charged as expenses as incurred.

(o) Goods and services tax systems changes

Revenues, expenses and assets are recognised net of GST except where the amount of GST incurred is not recoverable, in which case it is recognised as part of the cost of acquisition of an asset or part of an item of expense. The net amount of GST recoverable from, or payable to, the Australian Taxation Office (ATO) is included as part of receivables or payables in the statement of financial position. The GST component of a receipt or payment is recognised on a gross basis in the statement of cash flows in accordance with Accounting Standard AAS 28 *Statement of Cash Flows*.

Costs incurred to update existing systems or to design, develop and implement new systems to deal with the goods and services tax are charged as expenses as incurred, except where they result in an enhancement of future economic benefits and are recognised as an asset.

(p) Employee entitlements

(i) Wages, salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised, in respect of employees' services up to the reporting date and are measured as the amounts expected to be paid when the liabilities are settled.

(ii) Long service leave

The liability for long service leave expected to be settled within 12 months of the reporting date is recognised, in the provision for employee benefits and is measured in accordance with (i) above. The liability for long service leave expected to be settled more than 12 months from the reporting date is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using interest rates on National Government guaranteed securities with terms to maturity that match, as closely as possible, the estimated future cash outflows.

(iii) Superannuation

The amount charged to the statement of financial performance in respect of superannuation represents the contributions made by the Department to the superannuation fund (see note 22).

(iv) Employee benefit on-costs

Employee benefit on-costs, including payroll tax, are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities.

Notes to the financial statements continued

30 June 2004

Note 1. Summary of significant accounting policies (continued)

(q) Cash and cash equivalents

(i) Cash

For purposes of the statement of cash flows, cash includes short-term deposits that are readily convertible to cash on hand and are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts.

(ii) Cash equivalents

With the exception of the Estate Agents Guarantee Fund, investments in unlisted securities are recognised at cost and dividend income is recognised in the statement of financial performance when receivable.

Investments managed by Macquarie Investment Management Limited on behalf of the Estate Agents Guarantee Fund are recognised at market value due to the nature of the investments.

Short-term deposits relate to the following trust funds:

- Estate Agents' Guarantee Trust A/c
- Motor Car Traders' Guarantee Fund
- National Gambling Research Trust
- Prostitution Control Board Fund
- Residential Tenancy Fund
- Consumer Credit Trust A/c
- Domestic Builders' Fund

(r) Capital asset charge

The capital asset charge is imposed by the Department of Treasury and Finance and represents the opportunity cost of capital invested in the non-current physical assets used in the provision of outputs. The charge is calculated on the carrying amount of non-current physical assets (excluding heritage assets).

(s) Resources provided and received free of charge or for nominal consideration

Contributions of resources and resources provided free of charge or for nominal consideration are recognised at their fair value. Contributions in the form of services are only recognised when a fair value can be reliably determined and the services would have been purchased if not donated.

(t) Contributed capital

Consistent with UIG Abstract 38 *Contributions by Owners Made to Wholly-owned Public Sector Entities* appropriations for additions to net assets have been designated as contributed capital. Other transfers that are in the nature of contributions or distributions have also been designated as contributed capital.

(u) Rounding of amounts

Amounts in the financial report have been rounded to the nearest thousand dollars, or in other cases, to the nearest dollar.

(v) The impacts of adopting AASB equivalents to IASB standards

For interim and annual reporting periods ending on or after 30 June 2004, AASB 1047 *Disclosing the Impacts of Adopting AASB Equivalents to International Financial Reporting Standards* requires narrative disclosure of how the transition process is being managed and an explanation of the key differences in accounting policies that are expected to arise from the transition to AASB equivalents to IASB pronouncements. Refer to Note 27 for further details.

Note 2. Departmental outputs

A description of each output activity of the Department during the year ended 30 June 2004, and the objectives of each output activity, are summarised below.

Public Safety Policy

Description of the Output Activity

These outputs involve:

Providing a focus for public safety policy development and advice to the Minister, new policy implementation coordination and effectiveness evaluation.

These outputs make a significant contribution to the achievement of the following Departmental Objective:

- maintain and enhance the confidence of Victorians in their personal safety and reduce their fear of crime.

Emergency Prevention and Response

Description of the Output Activity

These outputs involve:

Support emergency prevention and response services provided by the Metropolitan Fire and Emergency Services Board, Country Fire Authority and Victoria State Emergency Service.

These outputs make a significant contribution to the achievement of the following Departmental Objectives:

- maintain and enhance the confidence of Victorians in their personal safety and reduce their fear of crime; and
- reduce Victoria's road toll.

Legal Support for Government

Description of the Output Activity

These outputs involve:

Provide the Department's primary focus for state law reform, the development of justice policy and procedures, administrative reviews of Justice agencies and the implementation of new or amending legislation. It also provides advice to Government on legal matters and solicitor services, and manages a range of legal frameworks on behalf of Government including native title issues, protection of privacy, and the conduct of State elections.

These outputs make a significant contribution to the achievement of the following Departmental Objectives:

- improve access to justice services, particularly legal aid, victim support services and alternative dispute resolution;
- reduce the time taken to dispose of matters in courts and tribunals; and
- improve Victorians' confidence in the legal and courts system.

Dispensing Justice

Description of the Output Activity

These outputs involve:

Supporting the State's judiciary in their dispensation of criminal and civil matters, maintaining the administrative operations of the system of courts and statutory tribunals and providing alternative civil dispute resolution mechanisms. It also manages criminal prosecutions on behalf of the State; provides legal aid for system users and support to victims of crime.

These outputs make a significant contribution to the achievement of the following Departmental Objectives:

- reduce the time taken to dispose of matters in courts and tribunals;
- improve access to justice services, particularly legal aid, victim support services and alternative dispute resolution;
- ensure that matters in the courts and tribunals are finalised within respective elapsed time benchmarks;
- improve Victorians' confidence in the legal and courts system; and
- reduce offending and re-offending rates and the number of prisoners returning to prison.

Note 2. Departmental Outputs (continued)

Enforcing Court Orders

Description of the Output Activity

These outputs involve:

Enforcing judicial fines, court orders and warrants and processing traffic infringement notices. Unpaid fines are also followed up on behalf of local government on a fee for service basis.

These outputs make a significant contribution to the achievement of the following Departmental Objective:

- improve Victorians' confidence in the legal and courts system.

Enforcing Correctional Orders

Description of the Output Activity

These outputs involve:

Ensuring that correctional dispositions of the courts and orders of the Adult Parole Board are implemented through the management of the State's system of correctional facilities and programs for the containment and rehabilitation of prisoners and the community based supervision of offenders.

These outputs make a significant contribution to the achievement of the following Departmental Objective:

- reduce offending and re-offending rates and the number of prisoners returning to prison.

Protecting Consumers

Description of the Output Activity

These outputs involve:

Developing and administering consumer protection legislation, including legislation relating to product safety, trade measurement and the sale of liquor. They inform people of their rights and responsibilities in the marketplace and provide assistance to those seeking redress. Business registers and licences are maintained to ensure minimum standards of transparency and competence and where necessary to influence and regulate trading behaviour.

These outputs make a significant contribution to the achievement of the following Departmental Objective:

- improve access to consumer protection services, particularly for vulnerable groups.

Achieving Equal Opportunity

Description of the Output Activity

These outputs involve:

Supporting the administration of equal opportunity legislation and the provision of advocacy and guardianship services for adults with disabilities.

These outputs make a significant contribution to the achievement of the following Departmental Objective:

- improve access to human rights protection services in targeted areas.

Regulating Gaming and Racing

Description of the Output Activity

These outputs involve:

Management and regulation of gaming and racing activities in Victoria.

These outputs make a significant contribution to the achievement of the following Departmental Objective:

- ensure responsible management and regulation of gaming and racing activities.

Other information

In addition to, and incorporated in, the above output activities are a number of entities within the Justice Portfolio which report separately. The Financial Statements contain the appropriation revenue for these entities and the expenditure is represented in grants expense and transfer payments. These are:

Legal Support for Government

Office of Public Prosecutions
Office of the Victorian Privacy Commissioner
Victorian Legal Aid
Victorian Electoral Commission
Victorian Law Reform Commission

Court and Tribunal Services

Judicial College of Victoria
Senior Master of the Supreme Court
Victorian Institute of Forensic Medicine

Consumer and Equity Services

Equal Opportunity Commission
Office of the Public Advocate
Residential Tenancies Bond Authority

Community Safety

Country Fire Authority
Metropolitan Fire and Emergency Services Board
Emergency Communications Victoria

Gaming and Racing

Gambling Research Panel
Greyhound Racing Victoria
Harness Racing Victoria
Victorian Casino and Gaming Authority

The following organisations form part of the Justice Portfolio however, they are excluded from the above output activities as the Chief Commissioner of Police reports separately and the other four entities are not funded out of the Budget Sector:

- Chief Commissioner of Police
- Domestic Building (HIH) Indemnity Fund
- Legal Ombudsman
- Legal Practice Board
- Legal Practitioners Liability Committee

Notes to the financial statements continued

30 June 2004

Note 2. Departmental Outputs (continued)

Output groups schedule – controlled revenue and expenses for the year ended 30 June 2004

	Public Safety Policy		Emergency Prevention		Legal Support for Government		Dispensing Justice	
	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000
Revenue								
Output appropriations	13,698	11,263	92,329	101,452	27,098	28,503	250,673	242,866
Special appropriations	0	0	494	7	13,867	44,596	46,364	45,234
Resources received free of charge or for nominal consideration	0	0	0	26	0	0	0	0
Other revenue	2,519	4,350	1,412	2,781	162	15	2,250	2,004
Total revenue	16,217	15,613	94,235	104,266	41,127	73,114	299,287	290,104
Expenses								
Employee benefits	(6,942)	(6,059)	(11,444)	(10,035)	(13,753)	(14,712)	(126,183)	(118,251)
Depreciation and amortisation	(285)	(236)	(3,369)	(2,737)	(422)	(603)	(8,799)	(8,357)
Resources provided free of charge or for nominal consideration	0	0	0	0	0	0	(1,503)	13
Grants and other payments to service providers	(1,600)	(1,686)	(66,554)	(77,840)	(11,192)	(49,863)	(66,122)	(62,556)
Capital asset charge	(84)	(49)	(1,800)	(1,219)	(506)	(548)	(19,266)	(19,167)
Supplies and services	(8,374)	(3,984)	(13,201)	(11,828)	(7,622)	(7,313)	(82,225)	(75,324)
Revaluation	0	0	0	0	(946)	0	0	0
Borrowing costs	(2)	0	(3)	0	(2)	0	(17)	0
Other expenses from ordinary activities	(56)	(1)	(32)	32	(27)	(26)	(801)	(210)
Total expenses	(17,343)	(12,015)	(96,403)	(103,627)	(34,470)	(73,065)	(304,916)	(283,852)
Total changes in equity other than those resulting from contributions of Victorian State Government as owner on behalf of the Crown	(1,126)	3,598	(2,168)	639	6,657	49	(5,629)	6,252
Output groups schedule – Assets and liabilities as at 30 June 2004								
Assets								
Current assets	6,081	3,299	15,135	6,871	5,157	6,900	39,846	31,439
Non-current assets	2,231	870	29,931	23,208	2,422	1,636	281,560	240,790
Total assets	8,312	4,169	45,066	30,079	7,579	8,536	321,406	272,229
Liabilities								
Current liabilities	(3,157)	(1,536)	(6,588)	(11,508)	(3,211)	(2,202)	(31,349)	(20,694)
Non-current liabilities	(1,150)	(848)	(2,058)	(1,437)	(2,308)	(1,960)	(29,000)	(25,112)
Total liabilities	(4,307)	(2,384)	(8,646)	(12,945)	(5,519)	(4,162)	(60,349)	(45,806)
Net assets/(liabilities)	4,005	1,785	36,420	17,134	2,060	4,374	261,057	226,423

Enforcing Court Orders		Enforcing Correctional Orders		Protecting Consumers		Achieving Equal Opportunity		Regulating Gaming and Racing		Chief Commissioner of Police		Departmental Total	
2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000
84,657	80,642	304,343	294,244	27,013	23,796	9,795	10,491	6,277	623	1,257,492	1,173,788	2,073,375	1,967,668
0	0	0	0	191	110	0	0	15,595	7,960	0	0	76,511	97,907
0	0	0	45	0	0	0	0	0	0	0	0	0	71
0	0	3,815	2,050	52,870	49,723	0	0	1,584	314	0	0	64,612	61,237
84,657	80,642	308,158	296,339	80,074	73,629	9,795	10,491	23,456	8,897	1,257,492	1,173,788	2,214,498	2,126,883
(19,553)	(16,548)	(122,121)	(115,468)	(23,740)	(20,974)	(700)	(1,038)	(2,045)	(907)	0	0	(326,481)	(303,992)
(860)	(479)	(12,501)	(7,427)	(1,149)	(765)	(74)	(87)	(98)	0	0	0	(27,557)	(20,691)
0	0	0	(191)	0	0	0	0	0	0	0	0	(1,503)	(178)
0	0	0	0	0	0	(8,115)	(8,046)	(15,595)	(7,960)	(1,257,492)	(1,173,788)	(1,426,670)	(1,381,739)
(728)	(254)	(19,874)	(17,601)	(155)	(127)	(25)	(15)	(21)	0	0	0	(42,459)	(38,980)
(57,642)	(58,678)	(159,599)	(153,441)	(18,666)	(18,894)	(557)	(613)	(4,493)	(97)	0	0	(352,379)	(330,172)
0	0	(9,908)	0	0	0	0	0	0	0	0	0	(10,854)	0
(4)	0	(12)	0	(5)	0	(1)	0	0	0	0	0	(46)	0
(32)	(29)	(241)	(129)	(14)	(5)	(9)	(1)	0	0	0	0	(1,212)	(369)
(78,819)	(75,988)	(324,256)	(294,257)	(43,729)	(40,765)	(9,481)	(9,800)	(22,252)	(8,964)	(1,257,492)	(1,173,788)	(2,189,161)	(2,076,121)
5,838	4,654	(16,098)	2,082	36,345	32,864	314	691	1,204	(67)	0	0	25,337	50,762
12,270	13,523	53,446	47,509	249,318	235,533	740	491	5,200	1,143	34,633	74,564	421,826	421,272
11,205	8,588	268,432	243,562	4,920	2,816	823	368	437	31	57,674	0	659,635	521,869
23,475	22,111	321,878	291,071	254,238	238,349	1,563	859	5,637	1,174	92,307	74,564	1,081,461	943,141
(17,091)	(14,171)	(39,948)	(39,864)	(6,127)	(6,959)	(587)	(393)	(2,089)	(517)	(34,633)	(74,564)	(144,780)	(172,406)
(3,506)	(2,732)	(16,905)	(17,357)	(4,905)	(4,395)	(246)	(134)	(450)	(374)	(57,674)	0	(118,202)	(54,349)
(20,597)	(16,903)	(56,853)	(57,221)	(11,032)	(11,354)	(833)	(527)	(2,539)	(891)	(92,307)	(74,564)	(262,982)	(226,757)
2,878	5,208	265,025	233,850	243,206	226,995	730	332	3,098	283	0	0	818,479	716,384

Notes to the financial statements continued

30 June 2004

Note 3. Restructuring of administrative arrangements

During the year ended 30 June 2003 there was a transfer of functions between departments. The Departments of Treasury and Finance; Innovation, Industry and Regional Development; Tourism, Sport and the Commonwealth Games; and Justice recognised the following expenses and revenues for the period 1 July 2002 to 31 December 2002 prior to the transfer occurring:

	2004 \$'000	2003 \$'000
Department of Treasury and Finance		
Revenues	0	567
Expenses	0	(516)
Department of Innovation, Industry and Regional Development		
Revenues	0	2,857
Expenses	0	(2,857)
Department of Tourism, Sport and the Commonwealth Games		
Revenues	0	187
Expenses	0	(187)
Department of Justice		
Revenues	0	2,682
Expenses	0	(2,827)

The total revenues and expenses recognised by the Departments of Treasury and Finance; Innovation, Industry and Regional Development; Tourism, Sport and the Commonwealth Games; Victorian Communities; and Justice for the year ended 30 June 2003 in respect of the functions transferred are as follows:

	2004 \$'000	2003 \$'000
Department of Treasury and Finance/Justice		
Revenues	0	986
Expenses	0	(832)
Department of Innovation, Industry and Regional Development/Justice		
Revenues	0	5,797
Expenses	0	6,412
Department of Tourism, Sport and the Commonwealth Games/Justice		
Revenues	0	1,279
Expenses	0	(819)
Department of Justice/Victorian Communities		
Revenues	0	6,489
Expenses	0	(6,190)

Net assets assumed by the Department as a result of the assumption of these outputs are recognised in statement of financial position immediately at the carrying amount of those assets in the transferor's (Departments of: Treasury and Finance; Innovation, Industry and Regional Development; and Tourism, Sport and the Commonwealth Games) statement of financial position immediately prior to the transfer.

The net asset/liability transfer was treated as a contribution of capital by the Crown in compliance with the accounting requirements of Urgent Issues Group Abstract 38 Contributions by Owners made to Wholly-Owned Public Sector entities and Accounting and Financial reporting Bulletin No.39 Accounting for Contributed Capital (refer note 1(t)). No revenue has been recognised by the Department in respect of the net assets transferred from the Departments of: Treasury and Finance; Innovation, Industry and Regional Development; and Tourism, Sport and the Commonwealth Games.

Note 3. Restructuring of administrative arrangements (continued)

In respect of the activities assumed, the following assets and liabilities were recognised:

	2004 \$'000	2003 \$'000
(a) Output – Effective Management of the Sale of Liquor		
Assets		
Receivables	0	162
Plant and equipment	0	74
Liabilities		
Payables	0	(947)
Net capital contribution from the Crown	<u>0</u>	<u>(711)</u>
(b) Output – Trade Measurement Development and Services		
Assets		
Receivables	0	134
Plant and equipment	0	148
Liabilities		
Payables	0	(245)
Net capital contribution from the Crown	<u>0</u>	<u>37</u>
(c) Output – Gaming Policy Advice		
Assets		
Receivables	0	380
Plant and equipment	0	0
Liabilities		
Payables	0	(11)
Net capital contribution from the Crown	<u>0</u>	<u>369</u>
(d) Output – Sport and Recreation Industry Development (racing portfolio)		
Assets		
Receivables	0	0
Plant and equipment	0	7
Liabilities		
Payables	0	(92)
Net capital contribution from the Crown	<u>0</u>	<u>(85)</u>
In respect of the activities relinquished, the following assets and liabilities were transferred:		
(e) Output – Legal Support for Government (Registration of Births, Deaths and Marriages)		
Assets		
Receivables	0	(443)
Plant and equipment	0	(741)
Liabilities		
Payables	0	1,912
Net capital contribution to the Crown	<u>0</u>	<u>728</u>
(f) Net Capital contribution to the Crown		
Output – Effective Management of the Sale of Liquor	0	(711)
Output – Trade Measurement Development and Services	0	37
Output – Gaming Policy Advice	0	369
Output – Sport and Recreation Industry Development (racing portfolio)	0	(85)
Output – Legal Support for Government (Registration of Births, Deaths and Marriages)	0	728
Total net capital contribution to the Crown	<u>0</u>	<u>338</u>

Notes to the financial statements continued

30 June 2004

Note 4. Revenue from ordinary activities

	Operating		Non-Operating	
	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000
Revenue from Government				
Output appropriations*	2,073,375	1,967,668		
Special appropriations	76,511	97,907		
Resources received free of charge or for nominal consideration			0	71
Other revenue			8,233	8,325
	2,149,886	2,065,575	8,233	8,396
Revenue from other parties				
Trust fund revenue			13,295	14,873
Interest			43,084	38,039
Total revenue	2,149,886	2,065,575	64,612	61,308

* In relation to the amounts applied, the Department has provided grants to the Chief Commissioner of Police in relation to outputs of \$1,257.492 million (2003: \$1,173.788 million).

Note 5. Summary of compliance with annual parliamentary appropriations and special appropriations

(a) Summary of compliance with annual parliamentary appropriations

The following table discloses the details of the various Parliamentary Appropriations received by the Department for the year. In accordance with accrual output-based management procedures 'Provisions for outputs' and 'Additions to net assets' are disclosed as 'controlled' activities of the Department. Administered transactions are those that are undertaken on behalf of the State over which the Department has no control or discretion.

	Appropriation Act					
	Annual Appropriation \$'000		Advance from Treasurer \$'000		Section 3(2) \$'000	
	2004	2003	2004	2003	2004	2003
Controlled						
Controlled provision of outputs	1,940,009	1,826,294	27,344	58,878	12,967	0
Additions to net assets	110,966	141,754	0	0	0	0
Administered						
Payments made on behalf of the State	47,200	25,495	500	0	0	0
Additions to net assets	0	0	0	0	0	0
Total	2,098,175	1,993,543	27,844	58,878	12,967	0

	Financial Management Act 1994							
	Section 29 \$'000		Section 30 \$'000		Section 32 \$'000		Section 35 \$'000	
	2004	2003	2004	2003	2004	2003	2004	2003
Controlled								
Controlled provision of outputs	88,342	85,080	10,000	8,669	13,424	3,771	0	0
Additions to net assets	6,849	296	(10,000)	(8,669)	2,665	0	0	0
Administered								
Payments made on behalf of the State	0	0	0	0	0	0	0	0
Additions to net assets	0	0	0	0	0	0	0	6,661
Total	95,191	85,376	0	0	16,089	3,771	0	6,661

Note 5. Summary of compliance with annual parliamentary appropriations and special appropriations (continued)

(a) Summary of compliance with annual parliamentary appropriations (continued)

	Total Parliamentary Authority \$'000		Appropriations Applied \$'000		Variance \$'000	
	2004	2003	2004	2003	2004	2003
Controlled						
Controlled provision of outputs	2,092,086	1,982,692	2,073,375	1,967,668	18,711 ^(b)	15,024 ^(b)
Additions to net assets	110,480	133,381	110,340	130,661	140 ^(b)	2,720 ^(b)
Administered						
Payments made on behalf of the State	47,700	25,495	45,178	23,149	2,522 ^(b)	2,346 ^(b)
Additions to net assets	0	6,661	0	6,661	0	0
Total	2,250,266	2,148,229	2,228,893	2,128,139	21,373	20,090

(b) Summary of compliance with annual parliamentary appropriations

Payments for outputs

The variance of \$18.711 million (2003:\$15.024 million) relates to an approved carryover of output appropriations totalling \$8.453 million (2003:\$13.424 million) and \$10.258 million (2003:\$1.6 million annual appropriation relating to approved Home Detention funding) relating to Victoria Police which will lapse. The \$8.453 million (2003:\$13.424 million) is represented by the following projects:

	2004 \$'000	2003 \$'000
Gaming and Racing Consultancies and Contracts	180	250
BEST – Emergency Alerting System	0	569
Crime Prevention Victoria	0	154
Home Detention	0	1,600
Pre- and Post-Release Programs	0	200
Rehabilitation Framework	0	275
Evaluation (CLTMS/CCS, Housing and Employment)	0	275
Victims Referral and Assistance Scheme	300	1,570
Office of Victorian Privacy Commissioner	0	370
Road Safety Initiatives	0	6,331
Alternative Dispute Resolution	245	870
Judicial College	175	230
Aboriginal Justice Agreement	130	730
Native Title	600	0
Sentencing Advisory Council	520	0
Asset Confiscation System	1,390	0
Equal Opportunity Commission	160	0
Integrated Courts Management Systems	1,600	0
Trade Measurement	800	0
Corrections Long-term Management Strategy	2,353	0
	8,453	13,424

Additions to net assets

Department of Justice has applied a total of \$110.34 million (2003: \$130.661 million) for capital investments compared to the available authority of \$110.48 million (2003: \$133.381 million). The variation of \$0.14 million (2003: \$2.72 million) will be carried over to 2004–2005 as being within the available (Treasurer approved) contributed capital carryover limit.

Administered payments on behalf of State

The variance of \$2.522 million (2003: \$2.346 million) is due to an overestimate of Tattersalls' commission paid/payable to other states and territories.

Notes to the financial statements continued

30 June 2004

Note 5. Summary of compliance with annual parliamentary appropriations and special appropriations (continued)

(c) Summary of compliance with special appropriations

Authority	Purpose	Appropriations Applied	
		2004 \$'000	2003 \$'000
1 <i>Constitution Act No. 8750</i>	Remuneration to Judges of the Supreme Court of Victoria	7,282	7,061
2 <i>Constitution Act No. 8750</i>	Remuneration to Judges of the Court of Appeals Division of the Supreme Court of Victoria	3,183	2,961
3 <i>County Court Act No. 6230</i>	Remuneration to Judges of the County Court of Victoria	13,388	13,282
4 <i>Victims of Crime Assistance Act No. 81/1996, Sec. 69</i>	Operating costs of the Victims of Crime Assistance Tribunal	1,732	1,515
5 <i>Discharged Servicemen's Preference Act No. 4989, Sec. 14</i>	Cost incurred by the Defence Reserves Re-employment Board	5	3
6 <i>Electoral Act no. 23 of 2002, Sec. 181</i>	Cost incurred by the Victorian Electoral Commission	13,867	44,597
7 <i>Magistrates' Court (Amendment) Act 2002</i>	Remuneration to Magistrates of the Magistrates' Court of Victoria	20,779	20,414
8 <i>Patriotic Funds Act No. 6331</i>	Costs incurred on behalf of the Patriotic Funds Council	186	107
9 <i>Victoria State Emergency Service Act No. 57/1987</i>	Payments to SES volunteers for work-related injuries	494	7
10 <i>Gaming and Betting Act No. 37/1994, Sec 94</i>	Cost incurred by the Victorian Casino and Gaming Authority	15,595	7,960
	Total	76,511	97,907
11 <i>Electoral Act No. 23 of 2002, Sec. 181</i>	Capital Contribution to Victorian Electoral Commission	8,082	1,005
12 <i>Gaming and Betting Act no. 37/1994, Sec 94</i>	Capital Contribution to Victorian Casino and Gaming Authority	703	330
	Total	8,785	1,335
Administered Special Appropriations Applied			
13 <i>Crown Proceedings Act No. 6232</i>	Payments due for Crown Proceedings in the Supreme Court of Victoria	1,433	2,078
14 <i>Victims of Crime Assistance Act No. 81/1996, Sec. 69</i>	Payments to victims of crime	24,809	17,707
15 <i>Melbourne City Link, Act No. 107/1995, Sec. 14(4)</i>	Payments to CityLink	3,153	2,341
16 <i>Electoral Act No. 23 of 2002, Sec. 215</i>	Electoral funding of political candidates	0	6,743
	Total	29,395	28,869

Note 6. Result from ordinary activities

	2004 \$'000	2003 \$'000
Expenses		
Result from ordinary activities include the following specific expenses:		
Employee benefits		
Salary and wages	248,735	233,088
Superannuation	21,193	20,027
Annual leave and long service leave expense	24,039	22,751
Other on-costs (fringe benefits tax, payroll tax and WorkCover levy)	27,908	22,831
Staff training	4,366	5,250
Departure packages	240	45
Total employee benefits	326,481	303,992
Depreciation		
Buildings	11,623	7,303
Plant and equipment	10,859	9,492
Total depreciation	22,482	16,795
Amortisation		
Leasehold improvements	3,611	3,064
Software	1,344	832
Plant and equipment under finance leases	120	0
Total amortisation	5,075	3,896
Total depreciation and amortisation	27,557	20,691
Supplies and services		
Outsourced contracted costs	162,380	159,774
Contractors and professional services	44,587	42,297
Prison operating expenses	32,087	31,336
Accommodation and property services	27,259	22,716
Printing, stationery and other office expenses	21,839	20,057
Technology services costs	17,336	14,556
Other	46,891	39,436
Total supplies and services	352,379	330,172
Borrowing costs		
Interest and finance charges paid	46	0
Total borrowing costs	46	0
Grants and other payments		
Grants to Chief Commissioner of Police	1,257,492	1,173,788
Grants to Victoria Legal Aid	34,285	32,702
Grants to Metropolitan Fire and Emergency Services Board	24,518	23,795
Grants to Country Fire Authority	41,288	53,988
Grants to Emergency Communications Victoria	2,039	1,686
Grants to Equal Opportunity Commission	4,048	4,020
Grants to Office of the Public Advocate	4,067	3,781
Grants to Office of Public Prosecutions	24,816	23,758
Grants to Victorian Casino and Gaming Authority	15,595	7,960
Grants to Victorian Electoral Commission	8,499	45,350
Grants to Victorian Institute of Forensic Medicine	7,330	6,604
Grants to Victorian Law Reform Commission	869	821
Grants to Victorian Privacy Commissioner	1,824	3,486
Total grants and other payments	1,426,670	1,381,739
Included in supplies and services are charges against assets		
Bad and doubtful debts	(13)	14

Notes to the financial statements continued

30 June 2004

Note 7. Cash assets

	2004 \$'000	2003 \$'000
Cash at bank and on hand	(3,856)	(5,239)
Funds held in trust		
– cash	11,090	16,326
– term deposits	155,253	126,528
– managed investments	76,374	71,330
	<u>238,861</u>	<u>208,945</u>

The above figures are reconciled to cash at the end of the financial year as shown in the statement of cash flows as follows:

Balances per statement of cash flows	<u>238,861</u>	<u>208,945</u>
--------------------------------------	----------------	----------------

Term deposits comprise the following:

Estate Agents' Guarantee Trust A/c	131,379	103,619
Motor Car Traders' Guarantee Fund	880	1,018
National Gambling Research Trust	907	313
Prostitution Control Board Fund	120	65
Residential Tenancy Fund	14,728	16,010
Consumer Credit Trust A/c	4,376	3,833
Domestic Builders' Fund	2,863	1,670
	<u>155,253</u>	<u>126,528</u>

Managed investments comprise the following:

Estate Agents' Guarantee Trust A/c	76,374	71,330
	<u>76,374</u>	<u>71,330</u>

Cash at bank

Due to the State of Victoria's investment policy and government funding arrangements, government departments generally do not hold a large cash reserve in their bank accounts. Cash received by a department from the generation of revenue is generally paid into the State's bank account, known as the Public Account. Similarly, any departmental expenditure, including those in the form of cheques drawn by the department for the payment of goods and services to its suppliers and creditors are made via the Public Account. The process is such that, the Public Account would remit to the department the cash required for the amount drawn on the cheques. This remittance by the Public Account occurs upon the presentation of the cheques by the department's suppliers or creditors.

The above funding arrangements often result in departments having a shortfall in the cash at bank required for payment of unrepresented cheques at the reporting date.

At 30 June 2004, cash at bank include the amount of a shortfall for the payment of unrepresented cheques.

Note 8. Receivables

	2004 \$'000	2003 \$'000
Current:		
Amounts owing from Victorian Government*	156,123	119,934
Debtors	22,231	15,902
Less: Provision for doubtful debts	(1,561)	(1,574)
	<u>176,793</u>	<u>134,262</u>

* \$34.633 million (2003: \$13.45 million) relates to the Chief Commissioner of Police.

Note 8. Receivables (continued)

	2004 \$'000	2003 \$'000
Non-current:		
Amounts owing from Victorian Government*	70,501	73,071
	<u>70,501</u>	<u>73,071</u>
* \$57.674 million (2003: \$61.114 million) relates to the Chief Commissioner of Police.		
Aggregate carrying amount of receivables		
Current	176,793	134,262
Non-current	70,501	73,071
	<u>247,294</u>	<u>207,333</u>

Note 9. Inventories

Current:		
Supplies and consumables – at cost	1,634	1,664
Raw materials – at cost	2,611	1,819
Work in progress – at cost	357	405
	<u>4,602</u>	<u>3,888</u>

Note 10. Property, plant and equipment

Land		
Crown land		
At cost	7,692	5,631
At independent valuation 2000	51,081	93,206
At independent valuation 2004	62,425	0
	<u>121,198</u>	<u>98,837</u>
Buildings		
At cost	69,894	112,142
At independent valuation 2000	113,550	232,970
Less: Accumulated depreciation	(15,316)	(20,282)
	<u>168,128</u>	<u>324,830</u>
At independent valuation 2004	151,210	0
Less: Accumulated depreciation	(462)	0
	<u>318,876</u>	<u>324,830</u>
Capital works in progress	<u>94,503</u>	<u>46,701</u>
Leasehold improvements		
At cost	12,453	8,695
At independent valuation 1995	13,584	16,533
Less: Accumulated amortisation	(17,639)	(17,796)
	<u>8,398</u>	<u>7,432</u>
Total land and buildings	<u>542,975</u>	<u>477,800</u>
Plant and equipment		
At cost	98,161	93,952
Less: Accumulated depreciation	(65,731)	(58,676)
Total plant and equipment	<u>32,430</u>	<u>35,276</u>
Plant and equipment under finance lease (at cost)	4,332	0
Less: Accumulated amortisation	(120)	0
	<u>4,212</u>	<u>0</u>
Total plant and equipment	<u>36,642</u>	<u>35,276</u>
	<u>579,617</u>	<u>513,076</u>

Notes to the financial statements continued

30 June 2004

Note 10. Property, plant and equipment (continued)

Reconciliations

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current and previous financial year are set out below.

	Land \$'000	Buildings \$'000	Leasehold Improvements \$'000	Plant & Equipment \$'000	Leased Plant & Equipment \$'000	Capital Works in Progress \$'000	Total \$'000
2004							
Carrying amount at start of year	98,837	324,830	7,432	35,276	0	46,701	513,076
Additions	2,118	275	2,868	8,577	4,332	66,855	85,025
Capitalisation of completed assets	0	17,917	1,136	0	0	(19,053)	0
Disposals	(360)	(490)	(153)	(209)	0	0	(1,212)
Net transfers free of charge	(349)	(1,154)	0	0	0	0	(1,503)
Net transfers contributed capital	(1,815)	(440)	616	163	0	0	(1,476)
Revaluations – Increments/ (Decrements)	22,774	(10,854)	0	0	0	0	11,920
Transfers between classes	(7)	415	110	(518)	0	0	0
Depreciation/amortisation expense	0	(11,623)	(3,611)	(10,859)	(120)	0	(26,213)
Carrying amount at end of year	121,198	318,876	8,398	32,430	4,212	94,503	579,617

Note 11. Intangible assets

	2004 \$'000	2003 \$'000
Software		
At cost	10,055	9,555
Less: Accumulated amortisation	(2,266)	(921)
	7,789	8,634
Software – development in progress	1,728	159
Total software	9,517	8,793

Note 12. Payables

Current

Trade creditors	75,343	66,834
Fringe benefits tax	779	0
Salaries and wages	8,160	6,024
Amounts owing to related entities*	35,627	15,692
	119,909	88,550

* \$34.633 million (2003: \$13.45 million) relates to the Chief Commissioner of Police.

Non-current

Amounts owing to related entities*	59,293	62,503
	59,293	62,503

* \$57.674 million (2003: \$61.114 million) relates to the Chief Commissioner of Police.

Aggregate carrying amount of payables

Current	119,909	88,550
Non-current	59,293	62,503
	179,202	151,053

Note 13. Interest bearing liabilities

	2004 \$'000	2003 \$'000
Current		
Secured		
Lease liabilities (note 21)	1,142	0
	<u>1,142</u>	<u>0</u>
Non-current		
Secured		
Lease liabilities (note 21)	3,077	0
	<u>3,077</u>	<u>0</u>
Aggregate carrying amount of interest bearing liabilities		
Current	1,142	0
Non-current	3,077	0
	<u>4,219</u>	<u>0</u>

Lease liabilities are effectively secured as the rights to the leased assets revert to the lessor in the event of default.

Note 14. Provisions

Current		
Employee benefits (note 22)	23,729	21,355
	<u>23,729</u>	<u>21,355</u>
Non-current		
Employee benefits (note 22)	55,832	54,349
	<u>55,832</u>	<u>54,349</u>
Aggregate carrying amount of provisions		
Current	23,729	21,355
Non-current	55,832	54,349
	<u>79,561</u>	<u>75,704</u>

Note 15. Equity and movements in equity

(a) Reserves		
Asset revaluation reserve	71,703	49,753
	<u>71,703</u>	<u>49,753</u>
Movements		
Asset revaluation reserve		
Balance 1 July	49,753	49,854
Transfer of land to Chief Commissioner of Police	0	(101)
Transfer of courthouses to surplus	(824)	0
Revaluation increment of freehold land during the year	22,774	0
Balance 30 June	<u>71,703</u>	<u>49,753</u>

Notes to the financial statements continued

30 June 2004

Note 15. Equity and movements in equity (continued)

	2004 \$'000	2003 \$'000
(b) Contributed capital		
Balance 1 July (transferred from accumulated surplus)	407,499	351,578
Capital contribution by Victorian State Government – Additions to Net Asset Base (note 5a)	110,340	130,661
Capital contribution by Victorian State Government – Additions to Net Asset Base (note 5c)	8,785	1,335
Capital contribution passed on to agencies within the Justice Portfolio	(63,665)	(77,719)
	55,460	54,277
Equity transfers within Government – Restructuring arrangements (note 3f)	0	338
Adjustment to opening balance	0	7,036
	55,460	61,651
Equity transfers within Government (Fixed assets – note 10)	(1,476)	(5,730)
Total Capital Contribution by Victorian State Government	53,984	55,921
Balance 30 June	461,483	407,499
(c) Accumulated surplus		
Accumulated surplus at the beginning of the financial year	259,132	208,659
Transfer of land to Chief Commissioner of Police	0	101
Transfer of courthouses from reserve	824	0
Adjustment resulting from change in accounting policy	0	(390)
Net result	25,337	50,762
Accumulated surplus at the end of the financial year	285,293	259,132
(d) Nature and purpose of reserves		
Asset revaluation reserve		
The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets, as described in accounting policy note 1(h).		
Total equity at the beginning of the financial year	716,384	610,091
Total change in equity	48,111	50,372
Contributions of equity (note 15b)	53,984	55,921
Total equity at the end of the financial year	818,479	716,384

Note 16. Financial instruments

(a) Credit risk exposures

The credit risk on financial assets of the Department which have been recognised on the statement of financial position, is generally the carrying amount, net of any provisions for doubtful debts.

(b) Interest rate risk exposures

The Department's exposure to interest rate risk and the effective weighted average interest rate by maturity periods is set out in the following table.

Note 16. Financial instruments (continued)

(c) Interest rate risk exposures

2004 Controlled	Notes	Weighted Average Interest rate	Fixed interest rate maturing in:				Non- Interest Bearing	Total
			Floating Interest Rate	1 Year or Less	Over 1 to 5 Years	More Than 5 Years		
			\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets								
Cash and deposits	7	5.19%	29,813	169,187	36,142	724	2,995	238,861
Receivables	8		0	0	0	0	20,670	20,670
Other financial assets	8		0	0	0	0	226,624	226,624
			29,813	169,187	36,142	724	250,289	486,155
Financial liabilities								
Payables	12		0	0	0	0	179,202	179,202
Lease liabilities	13,21	6.33%	0	1,142	3,077	0	0	4,219
			0	1,142	3,077	0	179,202	183,421
Net financial assets (liabilities)			29,813	168,045	33,065	724	71,087	302,734
Administered								
Financial assets								
Cash and deposits	23	4.94%	110,159	0	0	0	0	110,159
Receivables	23		0	0	0	0	207,528	207,528
			110,159	0	0	0	207,528	317,687
Financial liabilities								
Payables	23		0	0	0	0	75,888	75,888
Other	23		0	0	0	0	49,498	49,498
			0	0	0	0	125,386	125,386
Net financial assets (liabilities)			110,159	0	0	0	82,142	192,301
2003								
Controlled								
	Notes	Weighted Average Interest Rate	Fixed interest rate maturing in:				Non- Interest Bearing	Total
			Floating Interest Rate	1 Year or Less	Over 1 to 5 Years	More Than 5 Years	\$'000	\$'000
			\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets								
Cash and deposits	7	5.43%	31,907	127,210	49,763	0	65	208,945
Receivables	8		0	0	0	0	14,328	14,328
Other financial assets	8		0	0	0	0	193,005	193,005
			31,907	127,210	49,763	0	207,398	416,278
Financial liabilities								
Payables	12		0	0	0	0	151,053	151,053
			0	0	0	0	151,053	151,053
Net financial assets (liabilities)			31,907	127,210	49,763	0	56,345	265,225
Administered								
Financial assets								
Cash and deposits	23	4.59%	102,603	0	0	0	0	102,603
Receivables	23		0	0	0	0	186,290	186,290
			102,603	0	0	0	186,290	288,893
Financial liabilities								
Payables	23		0	0	0	0	74,980	74,980
Other	23		0	0	0	0	40,929	40,929
			0	0	0	0	115,909	115,909
Net financial assets (liabilities)			102,603	0	0	0	70,381	172,984

Notes to the financial statements continued

30 June 2004

Note 16. Financial instruments (continued)

(d) Net fair value of financial assets and liabilities

(i) On-balance sheet

The net fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities of the Department approximates their carrying amounts.

The net fair value of other monetary financial assets and financial liabilities is based upon market prices where a market exists or by discounting the expected future cash flows by the current interest rates for assets and liabilities with similar risk profiles.

For non-traded equity investments, the net fair value is based on the underlying net assets, future maintainable earnings and any special circumstances pertaining to a particular investment.

The carrying amounts and net fair values of financial assets and liabilities at reporting date are:

Controlled	Notes	2004		2003	
		Carrying Amount \$'000	Net Fair Value \$'000	Carrying Amount \$'000	Net Fair Value \$'000
On-balance sheet financial instruments					
Financial assets					
Cash and deposits	7	238,861	238,861	208,945	208,945
Receivables	8	20,670	20,670	14,328	14,328
Other debtors	8	226,624	226,624	193,005	193,005
Non-traded financial assets		486,155	486,155	416,278	416,278
Financial liabilities					
Payables	12	179,202	179,202	151,053	151,053
Lease liabilities	13,21	4,219	4,219	0	0
Non-traded financial liabilities		183,421	183,421	151,053	151,053
Administered					
On-balance sheet financial instruments					
Financial assets					
Cash and term deposits	23	110,159	110,159	102,603	102,603
Receivables	23	207,528	207,528	186,290	186,290
Non-traded financial assets		317,687	317,687	288,893	288,893
Financial liabilities					
Trust fund liabilities	23	75,888	75,888	74,980	74,980
Other	23	49,498	49,498	40,929	40,929
Non-traded financial liabilities		125,386	125,386	115,909	115,909

Other than those classes of assets and liabilities denoted as 'traded', none of the classes of financial assets and liabilities are readily traded on organised markets in standardised form.

Although certain financial assets are carried at an amount above net fair value, those assets have not been written down as it is intended to retain those assets to maturity.

Net fair value is exclusive of costs which would be incurred on realisation of an asset, and inclusive of costs which would be incurred on settlement of a liability.

(ii) Off-balance sheet

The Department has potential financial liabilities which may arise from certain contingencies disclosed in note 20. As explained in those notes, no material losses are anticipated in respect of any of those contingencies and the net fair value disclosed is the estimate of amounts which would be payable by the Department as consideration for the assumption of those contingencies by another party.

Note 17. Responsible persons

In accordance with the Ministerial Directions issued by the Minister for Finance under the *Financial Management Act 1994*, the following disclosures are made regarding responsible persons for the reporting period.

Names

The persons who held the positions of Ministers and Accountable Officers in the Department are as follows:

Attorney-General	The Hon. Rob Hulls, MP	1 July 2003	to 30 June 2004
Acting Attorney-General	The Hon. Bob Cameron, MP The Hon. John Lenders, MLC The Hon. Bob Cameron, MP The Hon. Bob Cameron, MP	1 July 2003 24 December 2003 13 April 2004 19 June 2004	to 4 July 2003 to 16 January 2004 to 16 April 2004 to 30 June 2004
Minister for Consumer Affairs	The Hon. John Lenders, MLC	1 July 2003	to 30 June 2004
Acting Minister for Consumer Affairs	The Hon. John Brumby, MP The Hon. John Pandazopoulos, MP	2 July 2003 27 June 2004	to 13 July 2003 to 30 June 2004
Minister for Gaming	The Hon. John Pandazopoulos, MP	1 July 2003	to 30 June 2004
Acting Minister for Gaming	The Hon. André Haermeyer, MP The Hon. André Haermeyer, MP The Hon. Rob Hulls, MP The Hon. Tim Holding, MP The Hon. André Haermeyer, MP The Hon. Rob Hulls, MP The Hon. André Haermeyer, MP	1 July 2003 19 September 2003 10 December 2003 5 January 2004 15 January 2004 19 January 2004 12 April 2004	to 4 July 2003 to 5 October 2003 to 16 December 2003 to 14 January 2004 to 18 January 2004 to 29 January 2004 to 24 April 2004
Minister for Racing	The Hon. John Pandazopoulos, MP	1 July 2003	to 30 June 2004
Acting Minister for Racing	The Hon. André Haermeyer, MP The Hon. André Haermeyer, MP The Hon. Rob Hulls, MP The Hon. Tim Holding, MP The Hon. André Haermeyer, MP The Hon. Rob Hulls, MP The Hon. André Haermeyer, MP	1 July 2003 19 September 2003 10 December 2003 5 January 2004 15 January 2004 19 January 2004 12 April 2004	to 4 July 2003 to 5 October 2003 to 16 December 2003 to 14 January 2004 to 18 January 2004 to 29 January 2004 to 24 April 2004
Minister for Police and Emergency Services	The Hon. André Haermeyer, MP	1 July 2003	to 30 June 2004
Acting Minister for Police and Emergency Services	The Hon. John Pandazopoulos, MP The Hon. John Lenders, MLC	2 September 2003 11 December 2003	to 7 September 2003 to 11 January 2004
Minister for Corrections	The Hon. André Haermeyer, MP	1 July 2003	to 30 June 2004
Acting Minister for Corrections	The Hon. John Pandazopoulos, MP The Hon. John Lenders, MLC	2 September 2003 11 December 2003	to 7 September 2003 to 11 January 2004
Secretary to the Department of Justice	Penny Armytage	1 July 2003	to 30 June 2004
Acting Secretary to the Department of Justice	Alan Clayton Alan Clayton Alan Clayton	1 July 2003 13 October 2003 15 December 2003	to 4 July 2003 to 17 October 2003 to 9 January 2004

Remuneration

Remuneration received or receivable by the Accountable Officer (Secretary) in connection with the management of the Department during the reporting period was in the range:

\$250,000 – \$259,999 (\$290,000 – \$299,000 in 2003*)

* There were two Secretaries employed during 2002–2003.

Notes to the financial statements continued

30 June 2004

Note 17. Responsible persons (continued)

Amounts relating to Ministers reported in the financial statements of the Department of Premier and Cabinet.

Other transactions

Other related transactions and loans requiring disclosure under the Directions of the Minister for Finance have been considered and there are no matters to report.

Note 18. Remuneration of executives

The numbers of executive officers, other than Ministers and Accountable Officers, and their total remuneration during the reporting period are shown in the first two columns in the table below in their relevant income bands. The base remuneration of executive officers is shown in the third and fourth columns. Base remuneration is exclusive of bonus payments, long-service leave payments, redundancy payments and retirement benefits.

Several factors have affected total remuneration payable to executives over the year. As a result of an organisational restructure, several new executive officer roles were created and filled during the course of the year. In addition, executive officers were entitled to be considered for a biennial remuneration review effective from 28 January 2004.

Income Band	Total Remuneration		Base Remuneration	
	2004 No.	2003 No.	2004 No.	2003 No.
\$100,000 - 109,999	4	1	4	5
\$110,000 - 119,999	5	5	9	5
\$120,000 - 129,999	7	10	8	14
\$130,000 - 139,999	4	10	13	9
\$140,000 - 149,999	14	6	3	2
\$150,000 - 159,999	1	1	2	3
\$160,000 - 169,999	3	4	7	4
\$170,000 - 179,999	1	3	2	0
\$180,000 - 189,999	9	1	1	0
\$190,000 - 199,999	3	2	0	3
\$200,000 - 209,999	1	0	3	0
\$210,000 - 219,999	0	2	0	0
\$220,000 - 229,999	3	0	0	0
\$230,000 - 239,999	1	0	0	0
\$290,000 - 299,999	1	0	0	0
Total numbers	57*	45	52*	45
Total amount	\$8,958,250	\$6,518,795	\$7,256,261	\$6,102,755

* Actual number of executive officers employed as at 30 June 2004 was 64 (2003: 61). Total includes four executive officers from the Office of Gambling Regulation, which will also be included in the 2003–2004 Victorian Casino and Gaming Annual Report (2003: 5). The total also includes one executive officer from the Victorian Law Reform Commission, which will also be reported in the 2003–2004 Victorian Law Reform Commission Annual Report (2003: 1). In 2003–2004, there were 19 executive officer (2003: 18) whose total remuneration paid by the Department of Justice was less than \$100,000 for the year and 24 executive officers (2003: 18) whose base remuneration paid by the Department of Justice was less than \$100,000 for the year.

Note 19. Remuneration of auditors

	2004 \$	2003 \$
Audit fees paid or payable to the Victorian Auditor-General's Office for audit of the Department's financial report:		
Paid as at 30 June	135,000	100,000
Accrued as at 30 June	190,200	216,000

Note 20. Contingent liabilities and contingent assets

	2004 \$'000	2003 \$'000
Details and estimates of contingent liabilities are as follows:		
Quantifiable contingent liabilities		
Private prisons contract*	622,400	599,008
Liabilities pending the outcome of legal action	13,705	15,715

* Not included in the private prisons contract: in December 2003, the Department signed a 25-year term contract for a 300-bed medium security prison and a 600-bed remand facility estimated to commence in June 2005 and October 2005 respectively. The net present cost is \$275.29 million, however under the bid specifications these services are to be reviewed after seven years.

Unquantifiable contingent liabilities

The Department has the following unquantifiable contingent liabilities.

In 1994, the State sold TABCORP Holding Limited (TABCORP) a wagering and gambling licence, which permitted it to conduct gambling activities previously undertaken by the TAB, for \$597 million. This amount represented the difference between the consideration paid (\$675 million) and the net assets of the TAB at that time (\$78 million). Section 21 of the *Gaming and Betting Act 1994* specifies the requirement for the State to repurchase the licence in 2012 at an amount equal to the licence value or the premium payment paid by the new licensee, whichever is the lesser.

While this creates an obligation on the State to repay the licence value to TABCORP in 2012, it will be offset by the premium payment by the new licensee.

In 1992, a gaming operator's licence was issued to the Trustees of the Will and Estate of the late George Adams (the licensee) by the then Victorian Gaming Commission. Under section 35A of the *Gaming Machine Control Act 1991*, the licensee is entitled to be paid, at the end of its current licence period 2012, an amount equal to the value (as defined in section 35A of that Act) of its current licence or the premium payment paid by the new licensee, whichever is the lesser; but this entitlement is contingent on the licensee not being granted a new licence.

Note 21. Commitments for expenditure

	2004 \$'000	2003 \$'000
Capital commitments		
Commitments for the acquisition of property, plant and equipment contracted for at the reporting date but not recognised as liabilities, payable:		
Within one year	25,767	79,380
Later than one year but not later than five years	551	0
	26,318	79,380

Notes to the financial statements continued

30 June 2004

Note 21. Commitments for expenditure (continued)

	2004 \$'000	2003 \$'000
Lease commitments		
Commitments in relation to leases contracted for at the reporting date but not recognised as liabilities, payable:		
Within one year	39,270	40,574
Later than one year but not later than five years	141,638	153,252
Later than five years	265,703	299,546
	<u>446,611</u>	<u>493,372</u>
Representing:		
Non-cancellable operating leases	446,152	493,372
Future finance charges on finance lease	459	0
	<u>446,611</u>	<u>493,372</u>

Operating leases

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

Within one year	39,029	40,574
Later than one year but not later than five years	141,420	153,252
Later than five years	265,703	299,546
	<u>446,152</u>	<u>493,372</u>
Commitments not recognised in the financial statements		
	<u>446,152</u>	<u>493,372</u>

The Department leases certain plant and equipment under operating leases. Leases of plant and equipment generally provide the Department with a right of renewal at which time all terms are renegotiated.

Finance leases

Commitments in relation to finance leases are payable as follows:

Within one year	1,384	0
Later than one year but not later than five years	3,294	0
Minimum lease payments	4,678	0
Less: Future finance charges	(459)	0
Total lease liabilities	<u>4,219</u>	<u>0</u>
Representing lease liabilities:		
Current (note 13)	1,142	0
Non-current (note 13)	3,077	0
	<u>4,219</u>	<u>0</u>

The weighted average interest rate implicit in the leases is 6.33 per cent (2003:nil, the Department had no finance lease commitments).

Outsourcing commitments

Includes the ongoing future commitment to Tenix for the outsourcing of the Enforcement Management's debtors collection role, and commitments for the outsourcing of the receipt, and contract payments in respect to, the County Court project over the 20-year term of the contract. The State of Victoria has entered into a commercial arrangement for the provision of prison facilities for 20 years (Fulham CC) and 15 years (Port Phillip Prison). Outsourcing commitments also includes an amount relating to prisons and a building maintenance agreement. These amounts have not been recognised as liabilities and are payable:

	2004 \$'000					2003 \$'000
	Tenix	County Court	Private Prison	Other	Total	
Within one year	69,590	20,325	55,616	4,065	149,596	142,606
Later than one year but not later than five years	162,378	88,634	11,138	30	262,180	388,373
Later than five years	0	371,255	0	0	371,255	396,080
	<u>231,968</u>	<u>480,214</u>	<u>66,754</u>	<u>4,095</u>	<u>783,031</u>	<u>927,059</u>

Note 22. Employee benefits

	2004 \$'000	2003 \$'000
Provision for employee benefits		
Current (note 14)		
Annual leave	17,525	15,316
Long service leave	6,204	6,039
	23,729	21,355
Non-current (note 14)		
Long service leave	55,832	54,349
	55,832	54,349
 Aggregate employee benefit liability	 79,561	 75,704

	No.	No.
Employee numbers		
Average number of employees during the financial year	4,491	4,251

As explained in notes 1(p)(ii), the amounts for long service leave is measured at their present value. The following assumptions were adopted in measuring present values:

	2004	2003
Long service leave		
Weighted average rates of increase in annual employee entitlements to settlement of the liabilities	4.50%	4.75%
Weighted average discount rates	5.64%	4.73%
Weighted average terms to settlement of the liabilities	13 years	13 years

No liability is recognised in the statement of financial position for the Department's share of the State's unfunded superannuation liability. The State's unfunded superannuation liability has been reflected in the financial statements of the Department of Treasury and Finance.

However, superannuation contributions for the reporting period are included as part of salaries and associated costs in the statement of financial performance of the Department.

The name and details of the major employee superannuation funds and contributions made by the Department are as follows:

Fund	Contribution for the Year	Contribution for the Year	Contribution Outstanding at Year End	Contribution Outstanding at Year End
	2004 \$	2003 \$	2004 \$	2003 \$
State Superannuation Fund – revised and new	9,423,032	9,464,836	0	0
VicSuper	11,241,812	10,149,502	0	0
Various other	528,616	412,319	0	0
Total	21,193,460	20,026,657	0	0

The basis for contributions are determined by the various schemes.

All employees of the Department are entitled to benefits on retirement, disability or death from the Government Employees' Superannuation Fund.

The above amounts were measured as at 30 June of each year, or in the case of employer contributions they relate to the years ended 30 June.

Notes to the financial statements continued

30 June 2004

Note 23. Administered items

In addition to the specific Departmental operations which are included in the statement of financial position, statement of financial performance and statement of cash flows, the Department administers or manages activities on behalf of the State. The transactions relating to these State activities are reported as administered in this note. Administered transactions give rise to revenues, expenses, assets and liabilities and are determined on an accrual basis. Administered revenues include taxes, fees and fines and the proceeds from the sale of administered surplus land and buildings. Administered liabilities include government expenses incurred but yet to be paid. Administered assets include government revenues earned but yet to be collected.

	Public Safety Policy		Emergency Prevention		Legal Support for Government		Dispensing Justice	
	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000
Administered revenue								
Appropriations – Payments made on behalf of the State	0	6,661	0	0	0	0	0	0
Special appropriations applied	0	0	0	0	1,433	8,821	24,808	17,707
Sale of goods and services	5,220	4,032	5,412	3,911	45,033	33,725	44,231	41,154
Commonwealth grants	868	868	0	0	45,341	44,133	0	0
Fines	0	0	0	0	0	0	36,884	19,642
Fees	0	0	0	0	0	2,076	148	128
Total	6,088	11,561	5,412	3,911	91,807	88,755	106,071	78,631
Administered expenses								
Payments made on behalf of the State	975	7,910	647	930	34,953	33,339	53,083	27,131
Payments into the Consolidated Fund	4,854	3,651	4,273	2,284	52,017	41,238	48,481	47,780
Total	5,829	11,561	4,920	3,214	86,970	74,577	101,564	74,911
Revenue less expense	259	0	492	697	4,837	14,178	4,507	3,720
Administered assets								
Cash	2,234	4,070	1,106	2,487	20,483	18,325	72,070	63,128
Receivables	1,065	0	10	99	871	1,099	1,592	1,468
Non-current assets	0	0	143	143	0	0	0	0
Total	3,299	4,070	1,259	2,729	21,354	19,424	73,662	64,596
Administered liabilities								
Creditors and accruals	298	1,106	446	1,370	306	1,045	68,025	62,774
Provisions	6	11	3	0	0	0	0	0
Other	1	1	2	10	19,573	15,271	29,710	25,547
Non-current liabilities	0	0	0	0	0	0	0	0
Total	305	1,118	451	1,380	19,879	16,316	97,735	88,321

Administered revenue from fines is recognised upon the issue of infringement notices etc. These fines are recorded as Administered Revenue and managed by the Enforcement Management Unit of the Department. All the fines collected during the year are paid into the Consolidated Fund.

The majority of the fines \$266.585 million (2003: \$330.165 million) disclosed under the Enforcing Court Orders activity comprises traffic camera fines of \$127.765 million (2003: \$218.607 million), decrease due to the suspension of the issuing of infringement notices from some fixed-site cameras pending an accuracy check, and On The Spot fines of \$95.459 million (2003: \$107.308 million) issued by Victoria Police. Subsequent to the review of fixed cameras, the Minister has approved the Department make ex-gratia payments not in excess of \$18 million to motorists who have applied for reimbursement of fines paid and other compensation as a result of a fixed camera speeding infringement issued on the Western Ring Road.

Administered receivables comprises \$562.847 million (2003: \$494.480 million) debtors less \$355.319 million (2003: \$308.189 million) provision for doubtful debts.

Enforcing Court Orders		Enforcing Correctional Orders		Protecting Consumers		Achieving Equal Opportunity		Regulating Gaming and Racing		Departmental Total	
2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000
0	0	0	0	4,000	0	0	0	0	23,149	4,000	29,810
3,153	2,341	0	0	0	0	0	0	0	0	29,394	28,869
20,837	20,540	12,513	15,839	2,900	1,423	135	119	18	1	136,299	120,744
162	0	0	0	0	0	0	0	0	0	46,371	45,001
266,585	330,165	91	126	317	285	0	0	0	0	303,877	350,218
54,156	58,984	0	0	11,425	9,703	0	0	0	0	65,729	70,891
344,893	412,030	12,604	15,965	18,642	11,411	135	119	18	23,150	585,670	645,533
100,275	73,776	6,674	5,173	4,952	392	79	76	18	23,149	201,656	171,876
242,184	262,323	5,785	10,497	7,177	8,741	39	22	0	1	364,810	376,537
342,459	336,099	12,459	15,670	12,129	9,133	118	98	18	23,150	566,466	548,413
2,434	75,931	145	295	6,513	2,278	17	21	0	0	19,204	97,120
5,746	4,283	7,449	8,434	862	1,594	209	282	0	0	110,159	102,603
203,890	183,614	0	10	100	0	0	0	0	0	207,528	186,290
0	0	0	0	0	0	0	0	0	0	143	143
209,636	187,897	7,449	8,444	962	1,594	209	282	0	0	317,830	289,036
534	743	3,577	4,953	2,517	795	180	250	5	1,944	75,888	74,980
0	0	49	87	0	0	0	0	0	0	58	98
2	5	179	89	30	2	1	1	0	3	49,498	40,929
0	0	57	59	0	0	0	0	0	0	57	59
536	748	3,862	5,188	2,547	797	181	251	5	1,947	125,501	116,066

Notes to the financial statements continued

30 June 2004

Note 24. Ex-gratia payments

	2004 \$'000	2003 \$'000
The Department made the following ex-gratia payments:		
Ex-gratia payments	23	21

These ex-gratia payments were mainly to members of the Department's various advisory boards and committees.

Note 25. Reconciliation of result from ordinary activities to net cash inflow from operating activities

Results from ordinary activities	25,337	50,762
Depreciation and amortisation expense	27,557	20,691
Revaluation	10,854	0
Provision for doubtful debts	(13)	14
Other expenses from ordinary activities	1,212	369
Net transfers free of charge	1,503	107
Change in operating assets and liabilities:		
Decrease (increase) in receivables	(39,948)	(18,159)
Decrease (increase) in inventories	(714)	194
Decrease (increase) in prepayments	(464)	1,831
Increase (decrease) in creditors and accruals	28,150	(13,077)
Increase (decrease) in other provisions	3,857	4,797
Net cash inflow from operating activities	<u>57,331</u>	<u>47,529</u>

Note 26. Funds administered for third parties

(a) Courts ⁽ⁱ⁾

Cash

Courts Infant Investment Accounts	35,173	30,702
Crimes Compensation Infant Investment Accounts	25,288	23,787
	<u>60,461</u>	<u>54,489</u>

Liabilities

Courts Infant Investment Accounts	35,173	30,702
Crimes Compensation Infant Investment Accounts	25,288	23,787
	<u>60,461</u>	<u>54,489</u>

(i) Included under Dispensing Justice Output Group in Note 23, Administered Items.

Responsibility for the administration of the Infant Investment Accounts will be transferred from the County Court to the Senior Master of the Supreme Court from 1 July 2004 and will be reported in the 2004-05 Annual Financial Statements.

(b) Non-government transactions

Prisoner Private Monies Account ⁽ⁱⁱ⁾

Cash	1,738	1,400
Creditors	(1,738)	(1,400)
	<u>0</u>	<u>0</u>

Non Government fines ⁽ⁱⁱⁱ⁾

Debtors	139,656	128,761
less provision for doubtful debts	(124,379)	(106,576)
	<u>15,277</u>	<u>22,185</u>
Creditors	(15,277)	(22,185)
	<u>0</u>	<u>0</u>

(ii) Included under Enforcing Correctional Orders Output Group in Note 23, Administered Items.

(iii) Note disclosure only – not included in Statement of Financial Position or Note 23, Administered Items.

Note 27. Impacts of adopting AASB equivalents to IASB Standards

For reporting periods beginning on or after 1 January 2005, all Australian reporting entities are required to adopt the financial reporting requirements of the Australian equivalents to International Financial Reporting Standards (IFRS). This requirement also extends to any comparative financial information included within the report. The first day of the comparative period, 1 July 2004, effectively becomes the transition date for the Department. Any adjustments arising from changes in the recognition or measurement of assets and liabilities at the transition date arising from the adoption of IFRS will be made against accumulated funds at the transition date.

The Department has taken the following steps in managing the transition to Australian equivalents to IFRS:

- established a steering committee to oversee the transition to and implementation of the Australian equivalents to IFRS;
- reviewed the Department's current accounting policies and the proposed new standards to identify key issues and the likely impacts resulting from the adoption of Australian equivalents to IFRS;
- commenced an education and training process for all stakeholders to raise awareness of the changes in reporting requirements and the processes to be undertaken; and
- initiated reconfiguration and testing of user systems and processes to meet new requirements.

The Department has identified a number of changes to the existing accounting policies that may have a material impact on the Department's future financial position and performance following the adoption of the requirements of Australian equivalents to IFRS (the new standards). These include:

- **Valuation of assets:** In accordance with the *Victorian Government Policy – Revaluation of Non-current Physical Assets*, the Department currently measures its non-current physical assets, other than plant, equipment and vehicles, at fair value subsequent to initial recognition. Plant, equipment and vehicles are measured on a cost basis. Revaluations are assessed annually and supplemented by independent assessments at least every three years. The new standard continues to offer a choice for measuring each class of non-current physical assets either at cost or at fair value. However, non-current assets measured at fair value will only be required to be revalued at least every three to five years and all assets in a class must be revalued at the same time. The Victorian Government has not yet concluded whether it will make any changes to the valuation basis of any class of asset or the methodology or frequency at which revaluations are performed. The financial effects of any such changes are unknown.
- **Impairment of assets:** Under the new standards, an asset will be required to be assessed for impairment each year. If indicators of impairment exist, the carrying value of an asset will need to be assessed to ensure that the carrying value does not exceed its recoverable amount, which is the higher of its value-in-use and fair value less costs to sell. For the Department, value-in-use of an asset is its depreciated replacement cost. Other than inventories, financial assets and assets arising from construction contracts, impairment testing will apply to all assets regardless of whether they are measured on a cost or fair value basis. Where the carrying value of an asset exceeds its recoverable amount, the difference will be written-off as an impairment loss to the statement of financial performance except to the extent that the write down can be debited to an asset revaluation reserve amount applicable to that asset. Any impairment losses at transition date will be adjusted against the accumulated funds.
- **Finance leases:** Existing Australian accounting standards require a lessee of a finance lease to recognise a lease asset and a lease liability equal to the present value of minimum lease payments at the beginning of the lease term. Under the new standard on leases, the asset and liability recognised would be equal to the lower or the present value of minimum lease payments and fair value of the leased asset. This may result in a write down of the Department's lease assets and liabilities at the date of transition if the present value of minimum lease payments exceeds the fair value of the leased asset with the resulting adjustment made against accumulated funds. In addition, the guidance on whether a lease is a finance lease or operating lease is less prescriptive and there is a greater emphasis on the substance of the transaction when making a judgement.
- **Inventories held for distribution:** Under existing accounting policies, costs incurred on goods and services distributed for no consideration or at a nominal amount are currently expensed. The new standard on inventories requires such costs be capitalised as inventories held for distribution. Inventories held for distribution will be measured at the lower of cost and current replacement cost. Inventories held for distribution which are on hand as at transition date will need to be recognised with the resulting adjustment against accumulated funds. Other inventories, other than inventories held for distribution, will continue to be measured at the lower of cost and net realisable value.
- **Intangible assets:** There are currently no specific Australian accounting standards on intangible assets except for the standard on accounting for research and development costs. On adoption of IFRS, there will be a specific standard on intangible assets with strict recognition and measurement requirements. Under existing requirements, costs of research and development activities could either be treated as an expense or be deferred to future periods to the extent that they are expected beyond reasonable doubt to be recoverable. Under the new standard, costs incurred in the research phase are not permitted to be recognised as an asset and should be recognised as an expense when incurred. Only expenditures incurred in the development phase are permitted to be recognised as an asset to the extent that they satisfy the criteria of the standard. Research costs previously capitalised as intangible will be derecognised at the date of transition with the resulting adjustment made against accumulated funds. The new standard permits a class of intangible assets to be measured at cost or revaluation basis subsequent to initial recognition, however, the revaluation basis may only be used if an active market exists for the asset. Intangible assets will also be subject to amortisation and impairment tests.
- In addition, a number of other changes in requirements have been identified which are expected to lead to changes in methodology or processed, increased disclosures and possibly changes in measurement of assets or liabilities. The changes are not expected to have a material impact.

Compliance index

The Annual Report of the Department of Justice is prepared in accordance with the *Financial Management Act 1994* and the Directions of the Minister for Finance. This index facilitates identification of the Department's compliance with the Directions of the Minister for Finance by listing references to disclosures in this financial report.

Clause	Requirement	Page Reference
Report of Operations		
<i>Charter and purpose</i>		
9.1.3(i)(a)	Manner of establishment and Ministers	1
9.1.3(i)(b)	Objectives, functions, powers and duties	1,6-7
9.1.3(i)(c)	Nature and range of services provided	14-60
<i>Management and structure</i>		
9.1.3(i)(d)(i)	Name of Chief Executive Officer	145
9.1.3(i)(d)(ii)	Names of senior office holders and brief description of responsibility	6-7
9.1.3(i)(d)(iii)	Organisational structure	126-127
<i>Financial and other information</i>		
9.1.3(i)(e)	Statement of workforce data and merit and equity	138,141-142
9.1.3(ii)(a)	Summary of financial results for the year	143
9.1.3(ii)(b)	Significant changes in financial position during the year	143
9.1.3(ii)(c)	Operational and budgetary objectives and performance against objectives	61-76
9.1.3(ii)(d)	Major changes or factors affecting achievement	143
9.1.3(ii)(e)	Subsequent events	143
9.1.3(i)(f)	Application and operation of <i>Freedom of Information Act 1982</i>	156
9.1.3(ii)(h)	Compliance with building and maintenance provisions of <i>Building Act 1993</i>	133-134
9.1.3(ii)(k)	Statement on National Competition Policy	143-144
9.1.3(ii)(f)	Details of consultancies over \$100,000	146
9.1.3(ii)(g)	Details of consultancies under \$100,000	146
9.6.2(i)(iv)	Disclosure of major contracts	146
9.1.3(ii)(i)	Statement of availability of other information	158
9.1.3(ii)(j)	Compliance index	116-117
9.8(i)(ii)	Occupational Health and Safety	147
9.10.3(i)	Budget Portfolio Outcomes	119-124
Financial Statements		
<i>Basis on which financial statements have been prepared and other compliance details</i>		
9.2.2(ii)(a)	Accrual basis of accounting	83
9.2.2(ii)(b)	Compliance with AASs and other authoritative pronouncements	83
9.2.2(ii)(c)	Compliance with Ministerial Directions and AFRBs	83
9.2.2(ii)(d)	Adoption of the historical cost convention, except for specified assets	83
9.2.2(iii)	Rounding of amounts	88
9.2.2(i)(d)	Notes to the financial statements (Contents page)	82
9.2.2(iv)	Accountable officer's declaration	78
9.9.2(i)	Model Financial Report	83

Clause	Requirement	Page Reference
<i>Statement of financial performance</i>		
9.2.2(i)(a)	Statement of financial performance	79
9.2.3(ii)(a)	Operating revenue by class	96
9.2.3(ii)(b)	Investment income by class	96
9.2.3(ii)(c)	Other material revenue, including disposal of non-current assets	96
9.2.3(ii)(e)	Depreciation	99
9.2.3(ii)(f)	Bad and doubtful debts	99
9.2.3(ii)(g)	Financing costs	99
9.2.3(ii)(h)	Net increment or decrement on revaluation recognised in the statement of financial performance	101-102
9.2.3(ii)(i)	Audit expense	109
9.7.2(i)(ii)	Motor vehicle lease commitments	109-110
<i>Statement of financial position</i>		
9.2.2(i)(b)	Statement of financial position	80
9.2.3(iii)(a)(i)	Cash at bank and funds held in trust	100
9.2.3(iii)(a)(ii)	Inventories by class	101
9.2.3(iii)(a)(iii)	Receivables, including trade debtors, loans and other debtors	100-101
9.2.3(iii)(a)(iv)	Other assets, including prepayments	80
9.2.3(iii)(a)(v)	Investments	100
9.2.3(iii)(a)(vi)	Property, plant and equipment	101-102
9.2.3(iii)(a)(vii)	Intangible assets	102
9.2.3(iii)(b)(i)	Overdrafts	N/A
9.2.3(iii)(b)(ii)	Other loans	N/A
9.2.3(iii)(b)(iii)	Trade and other creditors	102
9.2.3(iii)(b)(iv)	Finance lease charges	99
9.2.3(iii)(b)(v)	Provisions, including employee entitlements	103
9.2.3(iii)(c)(i)(ii)	Contributed capital	104
9.2.3(iii)(d)(i)(iv)	Reserves, and transfers to and from reserves	103
<i>Statement of cash flows</i>		
9.2.2(i)(c)	Statement of cash flows during the year	81
<i>Other disclosures in notes to the financial statements</i>		
9.2.3(iv)(a)	Liability secured by a charge over assets	103
9.2.3(iv)(b)	Contingent liabilities	109
9.2.3(iv)(c)	Commitments for expenditure	109-110
9.2.3(iv)(d)	Government grants received or receivable	96-98
9.2.3(iv)(e)	Employee superannuation funds	111
9.2.3(iv)(f)	Assets received without adequate consideration	96
9.4	Responsible person-related disclosures	99-100

Auditor-General's report



AUDITOR GENERAL
VICTORIA

AUDITOR-GENERAL'S REPORT

To the Members of the Parliament of Victoria, responsible Ministers and the Secretary of the Department of Justice

Matters relating to the electronic presentation of the Audited Financial Report

This audit report relates to the financial report of Department of Justice for the financial year ended 30 June 2004 included on its web site. The Secretary of the Department of Justice is responsible for the integrity of the web site. I have not been engaged to report on the integrity of the web site. The audit report refers only to the statements named below. An opinion is not provided on any other information which may have been hyperlinked to or from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.

Audit Scope

The accompanying financial report of Department of Justice for the financial year ended 30 June 2004, comprising statement of financial performance, statement of financial position, statement of cash flows and notes to the financial statements, has been audited. The Secretary of the Department of Justice is responsible for the preparation and presentation of the financial report and the information it contains. An independent audit of the financial report has been carried out in order to express an opinion on it to the Members of the Parliament of Victoria, responsible Ministers and the Secretary of the Department as required by the *Audit Act 1994*.

The audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. The audit procedures included an examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia, and the financial reporting requirements of the *Financial Management Act 1994*, so as to present a view which is consistent with my understanding of the Department's financial position, and its financial performance and cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In my opinion, the financial report presents fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia, and the financial reporting requirements of the *Financial Management Act 1994*, the financial position of the Department of Justice as at 30 June 2004 and its financial performance and cash flows for the year then ended.

MELBOURNE
20 August 2004



J.W. CAMERON
Auditor-General

Victorian Auditor-General's Office Level 34, 140 William Street, Melbourne Victoria 3000
Telephone (03) 8601 7000 Facsimile (03) 8601 7010 Email comments@audit.vic.gov.au Website www.audit.vic.gov.au

Auditing in the Public Interest

Budget portfolio outcomes

The Budget Portfolio Outcomes provide a comparison between the actual financial statements of all entities within the portfolio and the forecasted financial information published in Budget Papers. The Budget Portfolio Outcomes comprise the statements for financial performance, position and cash flows.

The Budget Portfolio Outcomes have been prepared on a consolidated basis and includes all entities within the portfolio. Financial transactions and balances are classified into either controlled or administered in accordance with AAS 29 Financial Reporting by Government Departments and agreed with the Treasurer in the context of the Budget Papers.

The following Budget Portfolio Outcomes statements are not subject to audit by the Victorian Auditor-General's Office and include financial information of the following entities:

- Department of Justice
- Chief Commissioner of Police
- Equal Opportunity Commission
- Gambling Research Panel
- Judicial College of Victoria
- Office of the Public Advocate
- Office of Public Prosecutions
- Office of the Victorian Privacy Commission
- Residential Tenancies Bond Authority
- Victorian Casino and Gaming Authority
- Victorian Electoral Commission
- Victorian Institute of Forensic Medicine
- Victorian Law Reform Commission

Statement of financial performance

For the year ended 30 June 2004

	2003–2004 Actual \$'000	2003–2004 Budget \$'000	Variation ^(a) %
Revenue from ordinary activities			
Output appropriations	2,149,885	2,131,300	0.9
Resources received free of charge or for nominal consideration	547	100	447.0
Commonwealth grants	1,842	1,500	22.8
Other revenue and revenue from other parties	100,117	84,600	18.3
	2,252,391	2,217,500	1.6
Expenses from ordinary activities			
Employee benefits	(1,305,594)	(1,258,500)	(3.7)
Depreciation and amortisation	(52,871)	(52,500)	(0.7)
Resources provided free-of-charge or for nominal consideration	(2,176)	0	(100.0)
Grants and other payments	(118,779)	(122,600)	3.1
Capital assets charge	(78,616)	(89,500)	12.2
Revaluation	(10,854)	0	(100.0)
Borrowing costs	(48)	(3,300)	98.5
Other expenses from ordinary activities	(653,438)	(672,800)	2.9
	(2,222,376)	(2,199,200)	(1.1)
Result from ordinary activities			
	30,015	18,300	64.0
Net increase in asset revaluation reserve	142,152	0	100.0
Total changes in equity other than those resulting from transactions with Victorian State Government in its capacity as owner			
	172,167	18,300	840.8

(a) Variation between 2003–2004 Actual and 2003–2004 Revised Budget.

Statement of financial position

As at 30 June 2004

	2003–2004 Actual \$'000	2003–2004 Budget \$'000	Variation ^(a) %
Current assets			
Cash assets	246,770	(1,100)	22,533.6
Other financial assets	2,750	224,100	(98.8)
Receivables	198,139	32,200	515.3
Inventories	9,887	7,900	25.2
Prepayments	16,479	4,800	243.3
Total current assets	474,025	267,900	76.9
Non-current assets			
Receivables	69,961	238,700	(70.7)
Property, plant and equipment	1,179,264	1,042,600	13.1
Intangible assets	25,364	6,100	315.8
Other	2,078	5,200	(60.0)
Total non-current assets	1,276,667	1,292,600	(1.2)
Total assets	1,750,692	1,560,500	12.2
Current liabilities			
Payables	115,389	109,500	(5.4)
Interest bearing liabilities	8,457	1,800	(369.8)
Provision ^(b)	74,564	94,900	21.4
Other	8,030	2,000	(301.5)
Total current liabilities	206,440	208,200	(0.8)
Non-current liabilities			
Interest bearing liabilities	12,770	5,400	(136.5)
Provision ^(b)	310,614	296,900	(4.6)
Other	8,569	0	100.0
Total non-current liabilities	331,953	302,300	(9.8)
Total liabilities	538,393	510,500	(5.5)
Net assets	1,212,299	1,050,000	15.5
Equity			
Contributed capital	723,071	712,800	1.4
Reserves	241,519	99,400	143.0
Accumulated surplus	247,709	237,800	4.2
Total equity	1,212,299	1,050,000	15.5

(a) Variation between 2003–2004 Actual and 2003–2004 Revised Budget.

(b) Includes employee costs and superannuation.

Statement of cash flows

For the year ended 30 June 2004

	2003–2004 Actual \$'000	2003–2004 Budget \$'000	Variation ^(a) %
Cash flows from operating activities			
Receipts from Government	2,134,722	2,114,500	1.0
Receipts from other entities	14,046	24,300	(42.2)
Payments for suppliers, grants and employees	(2,036,366)	(2,032,800)	(0.2)
	112,402	106,000	6.0
Interest received	57,672	50,400	14.4
Other revenue	16,426	12,100	35.8
Capital asset charge	(78,616)	(89,500)	12.2
Borrowing cost expense	(48)	(3,300)	98.5
Net cash inflow (outflow) from operating activities	107,836	75,700	42.5
Cash flows from investing activities			
Payments for property, plant and equipment	(182,557)	(153,200)	19.2
Payments for investments	(425)	0	100.0
Proceeds from sale of investments	385	0	100.0
(Repayment of) loans by other entities	0	(23,800)	(100.0)
Net cash inflow (outflow) from investing activities	(182,597)	(177,000)	(3.2)
Cash flows from financing activities			
Net proceeds from capital contribution by State Government	112,137	101,200	10.8
(Repayment of) finance leases	(1,874)	0	100.0
Net cash inflow (outflow) from financing activities	110,263	101,200	9.0
Net increase (decrease) in cash held	35,502	0	100.0
Cash at beginning of the financial year	211,268	(1,100)	19,306.2
Cash at end of the financial period	246,770	(1,100)	22,533.6

(a) Variation between 2003–2004 Actual and 2003–2004 Revised Budget.

Administered item statement

For the year ended 30 June 2004

	2003–2004 Actual \$'000	2003–2004 Budget \$'000	Variation ^(a) %
Administered revenue			
Appropriations – payments made on behalf of State	45,178	47,200	(4.3)
Special appropriation	29,394	30,700	(4.3)
Sale of goods and services	90,960	84,100	8.2
Commonwealth grants	69,769	68,100	2.5
Other grants	7,712	0	100
Taxes	1,324,237	1,323,400	0.1
Fines	303,878	299,700	1.4
Fees	79,449	68,700	15.6
Other revenue and revenue from other parties	70,589	53,300	32.4
Total administered revenue	2,021,166	1,975,200	2.3
Administered expenses			
Expenses on behalf of the State	(165,913)	(144,100)	(15.1)
Grants and other payments	(37,404)	(30,700)	(21.8)
Payments into the Consolidated Fund	(1,801,903)	(1,776,600)	(1.4)
Total administered expenses	(2,005,220)	(1,951,400)	(2.8)
Revenue less expenses	15,946	23,800	(33.0)
Administered assets			
Cash assets	71,555	60,900	17.5
Receivables	287,650	300,600	(4.3)
Other financial assets	384,444	3,400	11,207.2
Other	65	0	100.0
Total administered assets	743,714	364,900	103.8
Administered liabilities			
Payables	126,007	84,200	(49.7)
Provisions	102	200	49.0
Other	6,713	41,000	83.6
Total administered liabilities	132,822	125,400	(5.9)

(a) Variation between 2003–2004 Actual and 2003–2004 Revised Budget.

This page has intentionally been left blank.