

Best practice organisations

Organisations assessed as best practice in 1998-99 (58)

Alphapharm Pty Ltd	Macquarie University
Amoco Chemicals Pty Ltd	National Union of Workers*
Anglicare Tasmania Inc	Normandy NFM Limited
Bankers Trust Australia Ltd	Northparkes Mines
Barbeques Galore Ltd	OPSM Protector Limited
BHP Long Products Whyalla – SA*	Parkroyal on St Kilda Road
Blake Dawson Waldron	Retail Group Training & Employment Ltd
Bristol Myers Squibb Australia Pty Ltd	Royal Districts Nursing of SA Inc
BTR Automotive Drive Train Systems (Albury)*	Royal Melbourne Institute of Technology
Capricornia Training Company Ltd	SAP Australia Pty Ltd
Carlton & United Breweries Ltd	Serco – Gardner Merchant Pty Ltd
Coats Australian Pty Ltd	Snowy Mountains Engineering Corporation Ltd
Coca-Cola Amatil (Aust) Pty Ltd*	Southcorp Water Heaters
Colonial Limited*	Southcorp Wines Pty Limited
Commonwealth Bank of Australia	Southern Pacific Hotel Corporation
Computer Power Group Limited	St John Ambulance
Curtin University of Technology*	Tricare Limited
Denso Manufacturing Australia Pty Ltd	University of Canberra
Edison Mission Operation and Maintenance	University of Melbourne*
Loy Yang Pty Ltd	University of Queensland*
Ernst & Young Chartered Accountants*	University of South Australia*
Flinders University SA*	University of Sydney
Greenacres Association	University of Western Australia*
Howard Smith Industries Pty Ltd	University of Western Sydney
HPM Industries Pty Ltd	University of Wollongong
IOOF Australia Group	Wenona School Limited
Island State Credit Union	Wesley College Melbourne
Johnson & Johnson Medical Pty Ltd	Westpac Banking Corporation*
JS McMillan Printing Group	Westralian Sands Limited
Kanowna Belle Gold Mines	

*denotes waived organisations that reported in full

Organisations waived in 1996-99 (291)

3M Australia Pty Ltd	BHP Engineering Pty Ltd
A Goninan & Co Limited	BHP Flat Products Division
AMP Life Limited	BHP Information Technology Limited
Abbotsleigh	BHP Iron Ore Pty Ltd
Adelaide Bank Limited	BHP Long Products Division Whyalla – SA
Air International Group Ltd	BHP Manganese
Alcatel Australia Limited	BHP Minerals Exploration
Alcoa of Australia Ltd – Corporate Office	BHP Petroleum Pty Ltd
Alcoa of Australia Ltd – Point Henry Works	BHP Rod, Bar & Wire
Alcoa of Australia Ltd – Western Australian Operations	BHP Steel
American Express International Inc – Australia	BHP Transport Pty Ltd
Ansett Australia	BIGA Training
Arthur Andersen & Co	BP Australia Ltd
Arthur Robinson & Hedderwicks	BRL Hardy Limited
Ashton Mining Ltd	BT Australasia Pty Ltd
Australia & New Zealand Banking Group	BTR Automotive Drive Train Systems (Albury)
Australian Business Ltd	Bakewell Foods Pty Ltd
Australian Casualty & Life Ltd	Baxter Healthcare Pty Ltd
Australian Gas Light Company	Bendigo Bank
Australian Health Management Group	Bi-Lo Pty Ltd
Australian Industry Group	Billanook College Ltd
Australian Jockey Club	Biotech Australia Pty Limited
Australian Petroleum Pty Ltd	Bishop Davies Court Nursing Home
Australian Pharmaceutical Industries	Boots Health Care Ltd
Australian Red Cross Society – NSW	Boral Limited
Australian Services Union	Broken Hill Proprietary Company Ltd
Automotive Components Ltd	Building Industry Group (Training) Services
Avon Products Pty Ltd	Burswood International Resort Casino
BACAS (Group Training Company)	CGU Insurance
BHP Coal Illawarra Collieries	CPS Credit Union (SA) Ltd
BHP Coal Pty Ltd	CSC Australia Pty Ltd
BHP Coated Steel Australia	CSR Construction Materials H.O.
	CSR Ltd – Sugar

CSR Ltd Headquarters Group Services	Douglass Hanly Moir
Callide Coalfields Pty Ltd	Dow Chemical (Australia) Ltd
Campbells Soups Australia	Downs Group Training
Caterpillar of Australia Ltd	Drayton Coal Pty Ltd
Catholic Education – Brisbane	Dulux Australia
Catholic Education Office – Sydney	Edith Cowan University
Catholic Education Office – Townsville	Effem Foods Pty Ltd
Cedar Court Health South Hospital	Email Ltd
Central Coast Group Training Limited	Endeavour Credit Union Limited
Challenge Bank Group	Epworth Hospital
Charles Sturt University	Ernst & Young Chartered Accountants
Chiquita Mushrooms Pty Ltd	Esso Australia Ltd
CitiPower Pty Ltd	F H Faulding & Co Limited
Citibank Limited	Federal Hotels Pty Limited
Coca-Cola Amatil (SA) Ltd	First State Computing Pty Ltd T/A Syntegra
Coca-Cola Amatil (Victoria)	Ford Motor Co of Australia Ltd
Coca-Cola Amatil (Western Australia)	Fortis Australia
Coca-Cola Amatil Ltd	Freehill Hollingdale & Page – Sydney
Coles Supermarkets Ltd	Fujitsu Australia Limited
Colgate-Palmolive Pty Ltd	GE Capital Information Technology Solutions Pty Ltd
Colonial Limited	Glaxo Wellcome Australia Pty Ltd
Colonial State Bank	Gough & Gilmour Holdings Pty Ltd
Community & Public Sector Union	Greenoaks Private Hospital
Community Aid Abroad – Freedom from Hunger	Griffith University
Comweld Group Pty Ltd T/A CIGWELD	Grow Force Australia Ltd
Connell Wagner Pty Ltd	Hayman Island Resort
Consolidated Apparel Pty Ltd	Hewlett-Packard Australia Limited
Corrs Chambers Westgarth – QLD	Holden Ltd
Corrs Chambers Westgarth – Sydney Office	Holden's Engine Company
Corrs Chambers Westgarth – VIC	Horwath & Horwath
Corrs Chambers Westgarth – WA	Howard Smith Industries – Towage & Salvage
Credit Union Services Corporation Australia Ltd	Huntsman Chemical Co Australia Ltd
Curtin University of Technology	IBM Global Services Australia
Digital Equipment Corporation Australia	Incitec Ltd

Initiating Explosives Pty Ltd	Millennium Inorganic Chemicals
Ivanhoe Girls Grammar School	Mission Australia
James Cook University of North Queensland	Mobil Oil Australia Ltd
John Fairfax Publications Pty Ltd	Monash University
John Paul College	Morgan and Banks Group
John Wiley & Sons Australia Ltd	Mossman Central Mill Co Ltd
Jungling Pty Ltd	Mulawa Management Pty Limited
KPMG	Myer Grace Bros
KPMG – NSW	NRMA Ltd
KPMG Peat Marwick – QLD	NSW Teachers Federation
Kellogg (Aust) Pty Ltd	Nabalco Pty Ltd
Kemcor Australia	National Australia Bank Ltd
Kimberly-Clark Australia Pty Ltd	National Australia Financial Management Ltd
Kodak (Australasia) Pty Ltd	National Mutual Funds Management
Kyo-Ya Oceanic T/A Renaissance Sydney Hotel	National Mutual Health Insurance Pty Ltd
La Trobe University	National Mutual Life Association
Laubman & Pank Holdings Pty Ltd	National Union of Workers
Law Society of New South Wales	Natra Pty Ltd
Lend Lease Corporation Ltd	Nestlé Australia Ltd
Linde Materials Handling Pty Ltd	Newcastle Mater Misericordiae Hospital
Lonely Planet Publications Pty Ltd	Nine Network Australia Ltd
Loreto Normanhurst	Nissan Motor Company (Aust) Pty Ltd
MIGATE	NorTel Australia Pty Limited
MMI Insurance Group	Normandy Group
Mackay Region Apprentice Employment Ltd	Norwellan Textiles Pty Ltd
Mackillop College	Norwich Union Financial Holdings Ltd
Mallesons Stephen Jaques	Optus Administration Pty Ltd
McDonald's Australia Limited	Orica Australia – Chemicals Group
McPherson Newspapers Pty Ltd	Orica Australia – Explosives Group
Melbourne East Group Training Ltd	Orica Australia – Plastics Group
Melbourne Girls' Grammar School	Orica Australia Operations – Advanced Sciences Group
Melbourne Grammar School	Orica Australia Operations Pty Ltd – Botany Site
Mercantile Mutual Holdings Ltd	Orica Technology Group
Merck Sharp & Dohme (Australia) Pty Ltd	Ove Arup & Partners
Mercy Community Services Inc	

P & O Australia Ltd	Shell Australia Ltd
Paccar Australia Pty Ltd	Sisters of Mercy Health Care Services – Rockhampton
Pacific Access Pty Ltd T/A Yellow Pages	Sizzler Australia Pty Ltd
Patrick Sleigh Shipping Agencies Pty Ltd	Smiths Snackfood Company Limited
Peninsula School	Smorgon ARC Group
Pfizer Pty Limited	Southcorp Holdings Limited – Corporate Office
Philip Morris (Australia) Ltd	Southcorp Packaging
Pirelli Cables Australia Limited	Southmark Solutions Pty Ltd
Portland Aluminium	Spastic Centre of NSW
Presbyterian Ladies College – Burwood	St Andrews War Memorial Hospital
PricewaterhouseCoopers	St George Bank Ltd
Proctor Service Pty Ltd	St Vincent's Private Hospital – Sydney
Proserpine Co-Operative Sugar Milling Assoc Ltd	Stafford Holdings Pty Ltd
Prudential Corp Aust Ltd	Sunshine Coast Regional Group Apprentices Ltd
Queensland University of Technology	TABCorp Holdings Ltd
RGC Mineral Sands Division	TNT Domestic and International Express
Ravenswood School for Girls	Target Australia Pty Ltd
Rio Tinto Ltd	Tech Pacific Holdings Ltd
Robert Bosch (Australia) Pty Ltd	The Communications Group Pty Ltd
Roche Products Pty Ltd	The Crowle Foundation Ltd
Rocklea Spinning Mills Pty Ltd	The Flinders University of South Australia
Rohm and Haas Australia Pty Ltd	The Geelong College
Rothmans Holdings Limited	The Smith Family
Royal Blind Society	The University of New South Wales
Royal Sydney Golf Club	The Westbourne School
SERCo Australia Pty Limited	Thiess Contractors Pty Ltd
SHRM Australia Pty Ltd	Tintern Anglican Girls Grammar School
Salvation Army – Woodport Retirement Village	Tip Top Bakeries
Sandvik Australia Pty Ltd	Tower Services Pty Ltd
Sanitarium Health Food Company	Toyota Motor Corporation Australia Ltd
Santa Sabina College	Trust Bank
Sara Lee Clothing Pty Ltd	Uncle Tobys Company Limited
Schindler Lifts Aust Pty Ltd	University of Adelaide
Scitec Ltd	
Selleys Pty Ltd	

University of Central Queensland
University of Melbourne
University of New England
University of Queensland
University of South Australia
University of Technology Sydney
University of Western Australia
Valley View Poultry Pty Ltd
W W Wedderburn Pty Ltd
Weir Engineering Pty Ltd
Wesfarmers CBSP Ltd

Wesfarmers Limited
Westinghouse Signal Division
Westpac Banking Corporation
William M Mercer Pty Ltd
Woodside Energy Ltd
Woolworths Ltd
World Vision Australia
Xavier College Kew
Young & Rubicam Australia Pty Ltd
ZENECA Pharmaceuticals Australia Pty Ltd

Non-compliant organisations

Organisations that have not complied with the Affirmative Action Act in 1998-99 (55)

A J Mills & Sons Pty Ltd	HRL Ltd
AMF Bowling Centres (Aust) International Inc	– ACIRL Ltd
ASSTA Enterprises Pty Ltd	Hume Doors and Timber Pty Ltd
– ASSTA Australia Pty Ltd	J & E Hofman Engineering Pty Ltd
Australian Security Services Pty Ltd	J Bloch Pty Ltd
Berri Hotel Incorporated	John Dwyer Group Pty Ltd
Bevilles Pty Ltd	Johnston's Transport Industries Pty Ltd
Britax International Pty Ltd	Jove Pty Ltd
– Britax Childcare Products Pty Ltd	– Automotive Holdings Ltd
Cairns Hardware Co Pty Ltd	– Shemapel Pty Ltd T/A AMCAP-BBK
Catholic Education Office – Northern Territory	Kays Bag Stores (NSW) Pty Ltd
Charles Hull Contracting Co Pty Ltd	Lindsay Brothers Holdings Pty Ltd
Colonel Clints Crazy Bargains	M J Sherrin Pty Ltd
DBT Australia Pty Ltd	Mance Holdings Pty Ltd
Dempsey Group Pty Ltd	Maxitherm Boilers Pty Ltd
– Domestic Textiles Corporation Pty Ltd	McCafferty's Management Pty Ltd
Digital Audio Technologies Australia Pty Ltd	Mile Range Investments Pty Ltd
Dolso Fastform Group of Companies	– Fishers Stores Consolidated Pty Ltd
Downlands College Toowoomba	Milstern Health Care Limited
F E Anderson Pty Ltd	Mining Project Investors Pty Ltd
– Ace Gutters Pty Ltd	– Stawell Goldmines Pty Ltd
F R Ireland Pty Ltd	Minit Australia Pty Ltd
Fashion Fair Pty Ltd	Pacific Seeds Pty Ltd
Gem Engines Pty Ltd	Parkside Holdings Pty Ltd
Henny Penny Holdings Pty Ltd	Payless Shoes Pty Ltd

Petlee Pty Ltd
Presbyterian & Methodist Schools Association
Professional Cleaning Services Pty Ltd
Ross Cosmetics Aust Pty Ltd
S & F Industries Pty Ltd
– Globus Group of Companies
SBA Foods Pty Ltd
Sime Darby Australia Limited
Sunshine Plantation Pty Ltd T/A Lanray
Industries Ltd
Svedala Australia Ltd
Sydney Night Patrol & Inquiry Co Pty Ltd T/A
Security Network Protection
Tatiara Meat Co Pty Ltd
Thomas Jewellers (Aust) Pty Ltd
Tycab Australia
Wal Truscott & Co Pty Ltd

Assessment policy

Assessment of reports

All reports submitted by employers were assessed to determine whether the report meets the requirements of the Act.

Section 8 of the Act outlines the contents of an affirmative action program. Sections 13 and 14 of the Act set out the information that should be contained in the report. The report must contain the employment statistics and a detailed account of the actions taken to develop and implement the program over the past 12 months.

Assessment system

From 1995 to 1998 all reports were assessed according to a five level assessment model. Employers' reports that received the best practice rating were accorded either a Level 4 or Level 5 assessment and reports that met only the minimum requirements of the Act were accorded a Level 2 assessment. The majority of employers were accorded a Level 3 assessment, reflecting a medium-range assessment rating.

The Independent Committee conducting the review of the Affirmative Action Act recommended that the five level assessment rating system be revised. The Government Response supported this view.

In 1999, organisations were assessed as meeting the minimum requirements of the Act, or not meeting the minimum requirements of the Act, resulting in being named. The Agency will continue to identify and accord reports the best practice rating. All employers received a letter from the Agency providing them with information about the assessment rating accorded to their report.

Employers submitting reports that did not meet the requirements of the Act were given the opportunity to revise their report and provide more information. The report was returned to the employer and the Agency offered to assist the employer to complete the report. An Agency adviser was available to discuss the program and report and advise the employer on how they can meet the requirements of the Act.

Financial statements 1998-99



INDEPENDENT AUDIT REPORT

To the Minister for Employment, Workplace Relations and Small Business

Scope

I have audited the financial statements of the Affirmative Action Agency for the year ended 30 June 1999. The financial statements comprise:

- Statement by Chief Executive
- Statement of Revenue and Expenses
- Statement of Assets and Liabilities
- Statement of Cash Flows
- Schedule of Commitments
- Schedule of Contingencies and
- Notes and Forming part of the Financial Statements

The Agency's Chief Executive is responsible for the preparation and presentation of the financial statements and the information they contain. I have conducted an independent audit of the financial statements in order to express an opinion on them to you.

The audit has been conducted in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards, to provide reasonable assurance as to whether the financial statements are free of material misstatement. Audit procedures included examination on a test basis of evidence supporting the accounts and other disclosures in the financial statements, 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 statements are presented fairly in accordance with Australian Accounting Standards, other mandatory professional reporting requirements and statutory requirements so as to present a view of the Agency which is consistent with my understanding of its financial position, its operations and its cash flows.

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

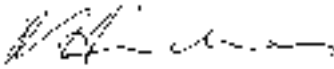
ICAP Audit Pty Ltd
 1177 Lakes Drive
 Regent House
 Regent Street, Melbourne VIC 3002

Auditor's Opinion

In my opinion:

- (a) the financial statements have been prepared in accordance with Schedule 2 of the Finance Minister's Orders
- (b) the financial statements give a true and fair view, in accordance with applicable Accounting Standards, other mandatory professional reporting requirements and Schedule 2 of the Finance Minister's Orders, of the financial position of the Affirmative Action Agency as at 30 June 1999 and the results of its operations and its cash flows for the year then ended.

Australian National Audit Office

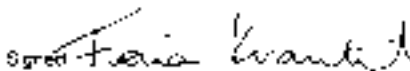


Paul Hatcher
Senior Director

Delegate of the Auditor-General
Sydney
21 September 1999

AFFIRMATIVE ACTION AGENCY
Statement by the Chief Executive

In my opinion, the attached financial statements give a true and fair view of the matters required by Schedule 2 to the Finance Minister's Orders made under section 53 of the Financial Management and Accountability Act 1997.



Fiona Krauß
Director

21 September 1999

Affirmative Action Agency Agency Revenues and Expenses

for the year ended 30 June 1999

	Notes	1998-99 \$	1997-98 \$
NET COST OF SERVICES			
Expenses			
Employees	3A	1,130,287	1,060,548
Suppliers	3B	1,367,897	1,132,513
Depreciation and amortisation	3C	208,919	121,502
Loss on sale of assets	3D	72	0
Total expenses		2,707,175	2,314,563
Revenues from independent sources			
Sales of goods and services	4	122,794	168,779
Net gains from sale of assets		650	786
Total revenues from independent sources		123,444	169,565
Net cost of services		2,583,731	2,144,998
REVENUES FROM GOVERNMENT			
Appropriations used for:			
Ordinary annual services (net appropriations)	11A	2,168,959	2,137,678
Resources received free of charge	11B	42,641	8,457
Total revenues from government		2,211,600	2,146,135
Operating (loss)/surplus		(372,131)	1,137
Accumulated results at 1 July		380,099	378,962
1998/99 carryover		102,041	0
Accumulated results at 30 June		110,009	380,099

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

Affirmative Action Agency Agency Assets and Liabilities

as at 30 June 1999

	Notes	1998-99 \$	1997-98 \$
PROVISIONS AND PAYABLES			
Employees	5A	169,044	219,695
Suppliers	5B	23,646	28,998
Total provisions and payables		192,690	248,693
EQUITY			
Accumulated results		110,009	380,099
Total equity	6	110,009	380,099
Total liabilities and equity		302,699	628,792
FINANCIAL ASSETS			
Cash		446	1,000
Receivables	7	107,211	304,173
Total financial assets		107,657	305,173
NON-FINANCIAL ASSETS			
Infrastructure, plant and equipment	8A,B	88,883	226,522
Inventories	8C	32,555	22,051
Other	8D	73,604	75,046
Total non-financial assets		195,042	323,619
Total assets		302,699	628,792
Current liabilities		116,443	132,262
Non-current liabilities		76,247	116,431
Current assets		213,816	402,270
Non-current assets		88,883	226,522

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

Affirmative Action Agency Agency Cash Flows

for the year ended 30 June 1999

	Notes	1998-99 \$	1997-98 \$
OPERATING ACTIVITIES			
Cash received			
Appropriations		2,168,959	2,048,277
Sales of goods and services		107,706	162,909
Total cash received		2,276,665	2,211,186
Cash used			
Employees		(1,065,027)	(1,022,247)
Suppliers		(1,141,562)	(1,153,715)
Total cash used		(2,206,589)	(2,175,962)
Net cash from operating activities	9	70,076	35,224
INVESTING ACTIVITIES			
Cash received			
Proceeds from the sale of property, plant and equipment		725	795
Total cash received		725	795
Cash used			
Purchase of property, plant and equipment		(71,355)	(36,179)
Total cash used		(71,355)	(36,179)
Net cash from (used by) investing activities		(70,630)	(35,384)
Net increase/(decrease) in cash held		(554)	(160)
add cash at 1 July		1,000	1,160
Cash at 30 June		446	1,000

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

Affirmative Action Agency Schedule of Commitments

as at 30 June 1999

Notes	1998-99 \$	1997-98 \$
BY TYPE		
OTHER COMMITMENTS		
Operating leases	1,496,183	1,919,902
Other commitments	51,125	127,810
Total other commitments	1,547,308	2,047,712
COMMITMENTS RECEIVABLE		
	0	0
Net commitments	1,547,308	2,047,712
BY MATURITY		
All net commitments		
One year or less	483,991	500,405
From one to two years	485,133	483,990
From two to five years	578,184	1,063,316
Net commitments	1,547,308	2,047,712
Operating lease commitments		
One year or less	432,866	423,719
From one to two years	485,133	432,866
From two to five years	578,184	1,063,316
Net commitments	1,496,183	1,919,902

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

Affirmative Action Agency Schedule of Contingencies

as at 30 June 1999

	Notes	1998-99 \$	1997-98 \$
CONTINGENT LOSSES		Nil	Nil
CONTINGENT GAINS		Nil	Nil
Net contingencies		Nil	Nil

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

Affirmative Action Agency Notes to and forming part of the Financial Statements

for the year ended 30 June 1999

Note	Description
1	Objectives of the Affirmative Action Agency
2	Summary of Significant Accounting Policies
3	Goods and Services Expenses
4	Reconciliation of Revenue from Independent Sources
5	Provisions and Payables
6	Equity
7	Financial Assets
8	Non-financial Assets
9	Cash Flow Reconciliation
10	Receipts of the Consolidated Revenue Fund
11	Expenditure from Annual Appropriations
12	Executive Remuneration
13	Services Provided by the Auditor-General
14	Act of Grace Payments and Waivers
15	Average Staffing Level
16	Financial Instruments

Note 1 Objectives of the Affirmative Action Agency

The Affirmative Action Agency was established by the *Affirmative Action (Equal Employment Opportunity for Women) Act 1986* to improve the employment status of women. The Agency aims to assist in the elimination of systematic employment discrimination in private sector companies, unions, group training companies, community organisations and non-government schools with more than 100 employees and all higher education institutions.

Note 2 Summary of Significant Accounting Policies

2.1 Basis of Accounting

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

The statements have been prepared in accordance with Schedule 2 to the *Financial Management and Accountability (FMA) Orders* made by the Minister for Finance and Administration in December 1998.

The statements have been prepared:

- in compliance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and
- the Consensus View of the Urgent Issues Group; and
- having regard to Statements of Accounting Concepts.

The financial statements have been prepared on an accrual basis and are in accordance with the historical cost convention. No allowance is made for the effect of changing prices on the results or the financial position.

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

2.2 Changes in Accounting Policy

There were no changes to the Agency's accounting policies during the year.

2.3 Agency Items

The Agency's assets, liabilities, revenues and expenses are those items that are controlled by the Agency including:

- computers, plant and equipment used in providing goods and services;
- liabilities for employee entitlements;
- revenues from running costs appropriations;
- revenues from user charging, etc, where the proceeds are deemed appropriated under section 31 of the *Financial Management and Accountability Act 1997*; and
- employee expenses and other administrative expenses incurred in providing goods and services.

2.4 Appropriations

Appropriations for Agency operations other than running costs are recognised as revenue to the extent that the appropriations are spent.

Appropriations for agency running costs have, until 1998-99, been recognised as revenue in the year of appropriation, except to the extent that amounts unspent at year end are not automatically carried over into the new financial year.

With the introduction of accrual budgeting by the Commonwealth for 1999-2000, any re-appropriation to the Agency of the automatic running costs carryover for 1999-2000 will be by way of a capital rather than a revenue appropriation. Accordingly, the carryover is not recognised as revenue but directly in equity in the financial statements for 1998-99.

2.5 Resources Received Free of Charge

Services received free of charge are recognised in the statement of Revenues and Expenses as revenue when and only when a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of these resources is recognised in the net cost of services.

2.6 Other Revenue

Revenue from the sale of goods and services is recognised upon the delivery of the goods and services to customers. Revenue from disposal of non-current assets is recognised when control of the asset has passed to the buyer. The Agency also earned revenue from sub-leasing.

2.7 Employee Entitlements

Leave

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

The liability for annual leave reflects the value of total annual leave entitlements of all employees at 30 June 1999 and is recognised at the nominal amount.

The non-current portion of the liability for long service leave is measured at the present value of the estimated future cash flows to be made in respect of all eligible employees at 30 June 1999. In determining the present value of the liability, the Agency has taken into account attrition rates and pay increases through promotion and inflation.

Superannuation

Staff of the Affirmative Action Agency contribute to the Commonwealth Superannuation Scheme (CSS) or the Public Sector Superannuation Scheme (PSS). Employer contributions amounting to \$95,780 (1997-98 \$78,567) in relation to these schemes have been expensed in these financial statements.

No liability is shown for superannuation in the statement of Assets and Liabilities as the employer contributions fully extinguish the accruing liability which is assumed by the Commonwealth.

Employer Superannuation Productivity Benefit Contributions totalled \$20,986 (1997-98 \$25,403).

2.8 Leases

Operating lease payments are charged to the statement of Agency Revenues and Expenses on a basis which is representative of the pattern of benefits derived from the leased assets. The net present value of future net outlays in respect of surplus space under non-cancellable lease agreements is expensed in the period in which the space becomes surplus.

2.9 Cash

Cash includes notes and coins held and deposits held at call with the ANZ Bank. The account was closed from 1 July 1999.

2.10 Financial Instruments

Accounting policies for financial instruments are stated at Note 16.

2.11 Acquisition of Assets

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken.

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

In late June 1999, the Agency was allotted 25 computers valued at \$2,650 each. This was in conjunction with the information technology rollout of the Department of Employment, Workplace Relations and Small Business (DEWRSB). The Agency was included in the rollout as it is under the Department's portfolio. Ownership of the new computers remains with the Department and assets replaced were gifted to schools. The provision of the computers will be recognised as a resource free of charge in the periods in which the resources are utilised.

2.12 Infrastructure, Plant and Equipment

Asset recognition threshold

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

Depreciation and Amortisation

Depreciable infrastructure, plant and equipment are written-off to their estimated residual value over their estimated useful life to the Agency using, in all cases, the straight line method of depreciation.

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

Depreciation and amortisation rates applying to each class of depreciable asset are as follows:

	1998-99	1997-98
Infrastructure, plant and equipment	3 to 5 years	4 to 5 years

The aggregate amount of depreciation allocated during the reporting period is disclosed in Notes 3C.

2.13 Inventories

Inventories are publications held for resale and are valued at the lower of cost and net realisable value.

2.14 Taxation

The Agency is exempt from all forms of taxation except fringe benefits tax.

2.15 Insurance

A new Commonwealth insurable risk managed fund, called Comcover, commenced operations as from 1 July 1998. From that date, the Agency has insured with the fund for risks other than workers compensation, which is dealt with via continuing arrangements with Comcare.

The new arrangements replace the previous policy of non-insurance and require the systematic identification, quantification, reporting and management of risk across the agency.

During the year Comcover premiums were paid by the Department of Finance and Administration on behalf of the Agency. The premium of \$33,641 was recognised as a resource received free of charge.

2.16 Comparative Figures

Where necessary, comparative figures have been adjusted to conform with changes in presentation in these financial statements.

	1998-99	1997-98
	\$	\$
Note 3 Goods and Services Expenses		
<u>Note 3A – Employee Expenses</u>		
Basic remuneration (for services provided)	1,084,834	1,048,368
Other employee expenses	45,453	12,180
Total employee expenses	1,130,287	1,060,548
<u>Note 3B – Suppliers Expenses</u>		
Supply of goods and services	1,367,897	1,132,513
Total suppliers expenses	1,367,897	1,132,513

Note 3C – Depreciation and Amortisation

Depreciation of infrastructure, plant and equipment	208,919	121,502
Total expenses	208,919	121,502

Depreciation expenses in 1998-99 are higher than in 1997-98 due to the adjustment to the useful lives of some plant and equipment to shorter periods.

Note 3D – Loss on Sale of Assets

Non-financial assets		
Plant and equipment – loss on sale	72	0

Note 4 **Reconciliation of Revenues from Independent Sources**

User charges	66,248	71,770
Publications	25,717	57,539
Other	30,829	39,470
	122,794	168,779

Note 5 **Provisions and Payables**

Note 5A – Employees

Leave	150,932	202,748
Salaries and wages	18,112	16,947
Aggregate employee entitlement liability	169,044	219,695

Note 5B – Suppliers

Trade creditors	23,646	28,998
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Note 6 **Equity**

Item	Equity capital		Accumulated results		Total equity	
	1998-99	1997-98	1998-99	1997-98	1998-99	1997-98
Balance 1 July 1998	0	0	380,099	378,962	380,099	378,962
Operating result	0	0	(372,131)	1,137	(372,131)	1,137
1998-99 carryover	102,041	0	0	0	102,041	0
Balance 30 June 1999	102,041	0	7,968	380,099	110,009	380,099

	1998-99 \$	1997-98 \$
Note 7 Financial Assets		
<u>Receivables</u>		
Goods and services	5,170	7,350
Appropriation	0	296,823
Equity – capital	102,041	0
	107,211	304,173
Receivables (gross) which are overdue are aged as follows:		
Overdue by:		
• less than 30 days	0	730
• 30 to 60 days	658	225
• more than 60 days	2,634	0

Note 8 Non-financial AssetsNote 8A – Plant and Equipment

Plant and equipment – at cost	522,615	569,751
Accumulated depreciation	(433,732)	(343,229)
Total plant and equipment	88,883	226,522

Note 8B – Analysis of Plant and Equipment

Movement summary 1998-99 for all assets.

Item	Plant & equipment	Total
Gross value as at 1 July 1998	569,751	569,751
Additions	71,355	71,355
Disposals	(118,491)	(118,491)
Other movements	0	0
Gross value as at 30 June 1999	522,615	522,615
Accumulated depreciation as at 1 July 1998	343,229	343,229
Depreciation charge for assets held 1 July 1998	201,411	201,411
Depreciation charge for additions	7,508	7,508
Adjustments for disposals	(118,416)	(118,416)
Adjustments for other movements	0	0
Accumulated depreciation as at 30 June 1999	433,732	433,732
Net book value as at 30 June 1999	88,883	88,883
Net book value as at 30 June 1998	226,522	226,522

	1998-99	1997-98
	\$	\$
<u>Note 8C – Inventories</u>		
Publications	32,555	22,051
<u>Note 8D – Other</u>		
Prepaid hardware/software maintenance support	62,658	65,798
Prepaid subscriptions	5,052	7,147
Postage	3,670	2,101
Other prepayments	2,224	0
	73,604	75,046

Note 9 Cash Flow Reconciliation

Reconciliation of net cost of services to net cash provided by operating activities:

Net cost of services	(2,583,731)	(2,144,998)
Revenue from government	2,211,600	2,146,135
Operating result	(372,131)	1,137
Increase in equity	102,041	0
Depreciation/amortisation	208,919	121,502
Profit on sale of non-current asset	(650)	(786)
Capitalisation of assets previously expensed	0	(31,025)
Decrease (increase) in receivables	196,962	(95,431)
(Increase) in inventories	(10,504)	(3,230)
Decrease (increase) in prepayments	1,442	(8,632)
(Decrease) increase in employer liabilities	(50,651)	38,461
(Decrease) increase in supplier liabilities	(5,352)	13,228
Net cash provided by operating activities	70,076	35,224

Note 10 Receipts of the Consolidated Revenue Fund

	1998-99	1998-99	1997-98
	Budget	Actual	Actual
	\$	\$	\$
Section 31 of the <i>Financial Management and Accountability Act 1997</i> – to be credited to running costs – Division 366			
Total Receipts	135,000	108,431	163,704

Note 11 Revenues from Government

Note 11A – Appropriations

	1998-99 Budget Estimates	1998-99 Additional Appropriation	1998-99 Total Appropriation	1998-99 Actual Expenditure	1997-98 Actual Expenditure
	Act No 1 \$	Act No 3 \$	\$	\$	\$
Division 366 – ADMINISTRATION Running Costs	2,082,431	297,000	2,379,431	2,574,213	2,211,981
Total – Appropriation Acts No. 1 and 3	2,082,431	297,000	2,379,431	2,574,213	2,211,981

Budget Estimates for Appropriation Act No 1 include deemed receipts under Section 31 of the *Financial Management and Accountability Act 1997*.

Reconciliation of Agency's Running Costs

	1998-99 \$	1997-98 \$
Running costs appropriation spent (Div 366)	2,574,213	2,211,981
Less: appropriation under FMA Act Section 31	(108,431)	(163,704)
	2,465,782	2,048,277
Add: Carryover 30 June	0	296,823
Less: Carryover 1 July	(296,823)	(207,422)
Running costs revenue (included in Operating Statement)	2,168,959	2,137,678
Revenue from government-ordinary annual services (per Operating Statement)	2,168,959	2,137,678

Note 11B – Resources Free of Charge

Comcover premiums	33,641	0
Audit fee	9,000	8,000
Other services	0	457
	42,641	8,457

Note 12 Executive Remuneration

The number of executive officers who received or were due to receive fixed remuneration of \$100,000 or more:

	Number	Number
\$120,000 – \$130,000	1	0
\$130,000 – \$140,000	0	1

The aggregate amount of total remuneration of executive officer shown above.

\$122,804 \$135,837

Note 13 Services Provided by the Auditor-General

Financial statement audit services are provided free of charge to the Agency. These services are valued at \$9,000 (1997-98 \$7,800).

No other services were provided by the Auditor-General.

Note 14 Act of Grace Payments, Waivers and Amounts Written Off

No act of grace payments were reported during the reporting period.

No waivers of amounts owing to the Commonwealth were made pursuant to Subsection 34(1) of the *Financial Management and Accountability Act 1997*.

Note 15 Average Staffing Levels

Average staffing levels for the Agency were as follows:

1998-99 Number	1997-98 Number
24	21

Note 16 Financial Instruments

Note 16A – Terms, Conditions and Accounting Policies

Financial instrument	Notes	Accounting policies and methods (including recognition criteria and measurement basis)	Nature of underlying instrument (including significant terms and conditions affecting the amount, timing and certainty of cash flows)
<i>Financial assets</i>		Financial assets are recognised when control over future economic benefits is established and the amount of the benefit can be reliably measured.	
Cash – Petty cash		Cash on hand and at bank is recognised at their nominal amounts.	The Agency's petty cash account is held with the ANZ bank. This account is not subject to interest or charges.
Receivables for goods and services	7	These receivables are recognised at the nominal amounts due less any provision for bad and doubtful debts. Collectability of debts is reviewed at balance date. Provisions are made when collection of the debt is judged to be less rather than more likely.	All receivables, except the appropriation carryover, are with the entities external to the Commonwealth. Credit terms are net 30 days (1998-99: 30 days).
<i>Financial liabilities</i>		Financial liabilities are recognised when a present obligation to another party is entered into and the amount of the liability can be reliably measured.	
Trade creditors	5B	Creditors and accruals are recognised at their nominal amounts, being the amounts at which the liabilities will be settled. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).	All creditors are entities that are not part of the Commonwealth legal entity. Settlement is usually made net 30 days.

Note 16 **Financial Instruments**Note 16B – Interest Rate Risk: Agency

Financial instrument	Note	Non-interest bearing		Total		Weighted average effective interest rate	
		98-99	97-98	98-99	97-98	98-99 %	97-98 %
Financial assets							
Cash – Petty cash		446	1,000	446	1,000	n/a	n/a
Receivables for goods and services	7	5,170	7,350	5,170	7,350	n/a	n/a
Total financial assets (recognised)		5,616	8,350	5,616	8,350		
Total assets				302,699	628,792		
Financial liabilities							
Trade creditors	5B	23,646	28,998	23,646	28,998	n/a	n/a
Total financial liabilities (recognised)		23,646	28,998	23,646	28,998		
Total liabilities				192,690	248,693		

Note 16C – Net Fair Values of Financial Assets and Liabilities

	Note	1998-99		1997-98	
		Total carrying amount	Aggregate net fair value	Total carrying amount	Aggregate net fair value
Departmental financial assets					
Cash		446	446	1,000	1,000
Receivables for goods and services	7	5,170	5,170	7,350	7,350
Total financial assets (recognised)		5,616	5,616	8,350	8,350
Financial liabilities					
Trade creditors	5B	23,646	23,646	28,998	28,998
Total financial liabilities (recognised)		23,646	23,646	28,998	28,998

Financial assets

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

Financial liabilities

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

Note 16D – Credit Risk Exposure

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

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

Summary table of resources

Sub-program 1.3 – Reconciliation	1998-99
	\$
Appropriation Bills 1 and 3	2,271,000
Appropriation Bills 2 and 4	0
Special Appropriation	0
Annotated Appropriation	108,431
Program Appropriations	2,379,431
Adjustments	(108,431)
Program Outlays	2,271,000

Contact officer

The contact officer for further enquiries in relation to information contained in the Annual Report is:

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The Agency is situated at Level 17, 1 Market Street, Sydney, New South Wales.

You can view the Agency's website at www.eeo.gov.au.

Glossary of terms

Affirmative action

The term for a range of measures for eliminating direct and indirect discrimination and for implementing positive steps to overcome the current and historical causes of lack of equal employment opportunity for women. Affirmative action for women is compatible with appointment and promotion on the basis of merit.

Affirmative action program

A strategic program designed to achieve equal employment opportunity for women.

Employers covered by the Act are required to report annually on their affirmative action program to the Agency. Organisations that do not comply with the Act are named in a report to Parliament tabled by the Minister for Employment, Workplace Relations and Small Business and are ineligible for government contracts and specified industry assistance.

Equal employment opportunity

The goal of an affirmative action program, where women have fair and equal access to employment opportunities and benefits, and are not inhibited or prevented from taking up those opportunities and benefits by any barriers.

Relevant employer

An employer covered by the Affirmative Action Act, including private sector companies, community organisations, non-government schools, unions and group training companies with 100 or more employees. All higher education institutions are also relevant employers.

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