

**OFFICE OF THE OFFICIAL SECRETARY
TO THE GOVERNOR-GENERAL**

**ANNUAL REPORT
1999-2000**

CANBERRA

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Government House
Canberra ACT 2600

12 October 2000

Dear Prime Minister,

I present the annual report of the Office of the Official Secretary to the Governor-General for the financial year ending 30 June 1999, in accordance with subsection 19(1) of the *Governor-General Act 1974*. Subsection 19(2) of the Act requires you to cause a copy of the report to be laid before each House of the Parliament within 15 sitting days after the day on which you receive the report.

Yours sincerely,

Martin Bonsey
Official Secretary
to the Governor-General

The Honourable John Howard, MP
Prime Minister
Parliament House
CANBERRA ACT 2600

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OFFICE OF THE OFFICIAL SECRETARY TO THE GOVERNOR-GENERAL
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Agency Overview

The office of Governor-General was established by the Constitution of the Commonwealth of Australia. Under the Constitution, the executive power of the Commonwealth is exercisable by the Governor-General as The Queen's representative in the Commonwealth, and extends to the execution and maintenance of the Constitution, and the laws of the Commonwealth. Broadly, the Governor-General's duties fall into three categories: constitutional and statutory duties; ceremonial duties; and representational duties. Support for the Governor-General in carrying out these duties is provided by staff employed by the Official Secretary to the Governor-General under the *Governor-General Act 1974*.

Our mission is to assist the Governor-General in performing the constitutional, statutory, ceremonial and public duties associated with the appointment, ensuring that standards relating to the significance of the Office, and maintenance of the heritage value of the Governor-General's residences and grounds, are in keeping with the expectations of the Australian community.

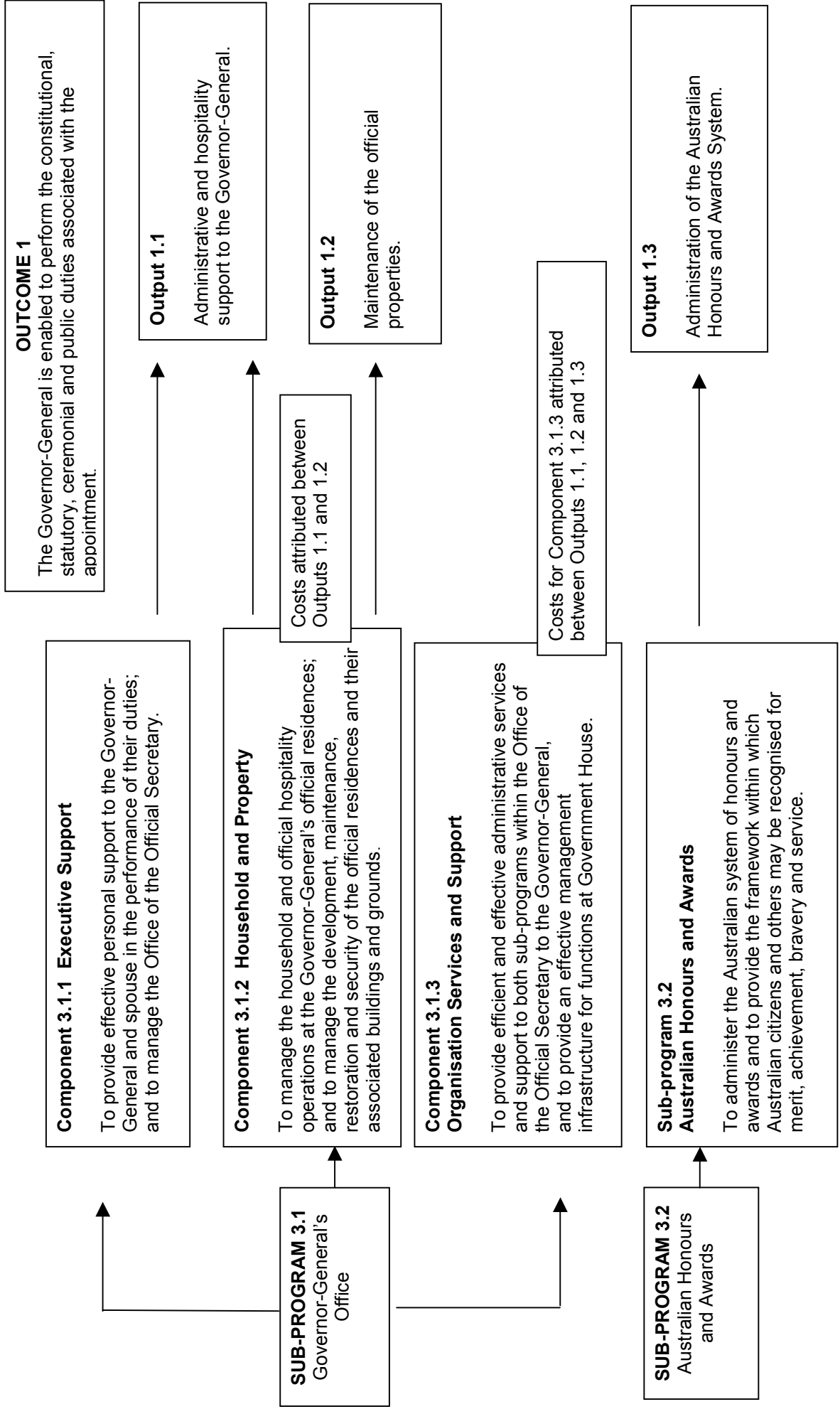
In this report, we are for the first time reporting in terms of its outcome and outputs in line with the introduction of accrual budgeting and reporting for Commonwealth agencies from 1 July 1999. Our outcomes and outputs are:

- Outcome The Governor-General is enabled to perform the constitutional, statutory, ceremonial and public duties associated with the appointment.
- Output 1.1 Administrative and hospitality support to the Governor-General.
- Output 1.2 Maintenance of the official properties.
- Output 1.3 Administration of the Australian Honours and Awards system.

The main difference between the new outcome/output reporting arrangements and the previous Program management reporting arrangements is that under the new arrangements there is no external reporting specifically against the former *Component 3.1.3 - Organisation Services and Support*. This management unit of the Office continues to provide our corporate support services, the costs for which have been attributed between outputs under the new reporting structure. Figure 1 over shows the relationship between our previous program management reporting arrangements and the outcome and outputs which are reported on in this and future annual reports.

FIGURE 1

LINKS BETWEEN PROGRAM MANAGEMENT STRUCTURE 1999-2000 AND OUTCOME/OUTPUT STRUCTURE 1999-2000
Office of the Official Secretary to the Governor-General



Official Secretary's Review

The financial year 1999-2000 was, as usual, a busy year for the Governor-General and Lady Deane, and therefore also for Government and Admiralty House staff. This report is not the place for a detailed account of the Governor-General's activities which are, in any event, reported day by day in the vice-regal columns of newspapers. That information is now also available at http://www.gg.gov.au/html/fset_vice.html. Some highlights, however, should be noted as they illustrate the variety of activities supported by staff both for in-house events and away from Canberra:

- visit to Central Australia in late July 1999 to hand over deeds of grant to the Urrampinyi Itjiltjarra Aboriginal Land Trust at Tempe Downs and the Ngalurtje Aboriginal Land Trust at Central Mount Wedge;
- visit at short notice in early August to Interlaken, Switzerland, to support those bereaved in the canyoning tragedy;
- hosting in mid-August a reception for the Diplomatic Corps;
- hosting in September State Dinners for the President of China and Madame Wang Yeping and the President of the Republic of Korea and Mrs Kim Dae-Jung;
- hosting functions to celebrate the safe return of Care Australia workers Steve Pratt and Peter Wallace in September and the arrival in January of Branco Jalan;
- unveiling the Australian Service Nurses National Memorial in October 1999 and accepting and committing to its commemorative purpose the Australian National Korean War Memorial in April 2000;
- conducting a special investiture in October recognising acts of bravery that took place during the HMAS WESTRALIA fire;
- opening in October the 1999 Southern Cross Multi-Disability Championships;
- hosting an afternoon tea in November for recipients of Commonwealth recognition Awards for Senior Australians to mark the International Year of Older Persons;
- awarding the 1999 Sydney Peace Prize to Archbishop Desmond Tutu;
- hosting a number of receptions in Sydney and Canberra for various groups of children in the lead up to Christmas and a sleepover at Admiralty House on New Year's Eve for Kidney Kids and other young people with, or awaiting, transplants;
- attending and hosting a variety of functions, including a State Dinner, associated with the visit of Her Majesty The Queen and His Royal Highness The Duke of Edinburgh in March during which The Queen and The Duke spent two weekends and ten nights at Yarralumla;
- attending Welcome Home Parades in Sydney and Townsville for INTERFET troops
- visiting Greece in early May to make a State visit and to represent Australia at the lighting of the Olympic Flame at Ancient Olympia and attending the arrival of the Flame at Uluru in early June;
- attending and addressing Corroboree 2000 in late May; and
- attending a Memorial Service for the victims of the Childers backpackers hostel fire in late June.

Attention on the office of Governor-General was heightened during the year as a result of the holding of a referendum in November on the question of Australia's becoming a republic. While there was meticulous avoidance of any comment on the merits of that referendum, the period leading up to the referendum saw a high level of written and telephone requests for information on the role of the Governor-General. An item on the role of the Governor-General may be found at http://www.gg.gov.au/html/fset_role.html.

The year under review was also a busy one for the areas of the Office less directly involved in the Governor-General's program.

As well as the significant volume of regular maintenance required in the upkeep of Government and Admiralty Houses, a major redevelopment of the former lawn tennis court at Government House and damp-proofing and refurbishment of the interior of the Marine Barracks at Admiralty House were undertaken.

The Honours Secretariat, as well as its usual servicing of the Council for the Order of Australia and the Australian Bravery Decorations Council, was closely involved in the introduction of a number of new awards detailed later in this report, including the commemorative Australian Sports Medal, some 18,000 of which will be distributed by the end of 2000, in recognition of the breadth of Australian Sporting achievement.

Our small Corporate Services team have had an exceptionally full year. While the various contingency plans went unneeded, the Year 2000 issue was a useful catalyst in bringing some software up to the next stage of development, notably in the Honours Secretariat where a major upgrade of the databases was undertaken. A second round Certified Agreement was finalised. Running parallel with preparation for the introduction of the GST, a new Financial Management Information System was introduced.

Through this activity, more detail of which appears below, the Governor-General has satisfactorily been enabled to perform the constitutional, statutory, ceremonial and public duties associated with the appointment. I take this opportunity to express my appreciation for the contribution made by all the staff of the Office to the achievement of this outcome.

OUTCOME – The Governor-General is enabled to perform the constitutional, statutory, ceremonial and public duties associated with the appointment.

The Office successfully supported some major official activities during 1999-2000, in particular the Royal visit in March 2000, while continuing to provide effective support for the ongoing official commitments of the Governor-General and Lady Deane. Feedback on the quality and satisfaction with activities in the Governor-General's programme is conveyed from the Governor-General and Lady Deane directly to staff through the Official Secretary and senior staff as part of the management routine of the Office.

Financial Performance

The total resourcing for Outcome 1 (ie. agency appropriations, revenue from other sources and administered appropriations) is set out in Table 1 over.

The Office received output appropriations of \$8.366 million in the 1999-2000 Budget and collected other revenues of \$.234m. Total expenses for Agency outputs for 1999-2000 amounted to \$6.966m. An additional \$.25m in Agency expenses were incurred as adjustments to equity resulting from increases in employee entitlement liabilities due to a change in accounting policy (\$.056m) and the Capital Use Charge (\$.194m).

The Office received \$1.014m in appropriations for administered expenses in 1999-2000 having budgeted for an estimated \$1.528m in expenses in the 1999-2000 Portfolio Budget Statements (PBS).

The significant variations between the budget and actual price of outputs for 1999-2000 and between budgeted and actual administered expenses for the year are explained below.

Table 1 – Total Resources for Outcome 1

	Budget* 1999-2000 \$'000	Actual Expenses 1999-2000 \$'000	Budget** 2000-2001 \$'000
ADMINISTERED EXPENSES (including third-party outputs)			
Governor-General's Salary	58	58	58
Acquisition of Australian Honours Medals / Insignia, Warrant and Investiture Items	1,286	797	1,383
Building, Works, Plant and Equipment – Governor-General's Office and Establishments (Depreciation)	184	159	194
PRICE OF AGENCY OUTPUTS			
Output 1.1 Administrative and hospitality support to the Governor-General			
Subtotal Output 1.1	4,118	3,544	4,242
Output 1.2 Maintenance of the official properties			
Subtotal Output 1.2	(Note 1) 2,649	2,037	1,989
Output 1.3 Administration of the Australian Honours and Awards system			
Subtotal Output 1.3	1,782	1,579	1,747
Total Price of Outputs	(Note 2) 8,549	(Note 2) 7,160	8,103
Funded by:			
Revenue from Government (Appropriation) for Agency Outputs	8,366	6,926	7,978
Revenue from other sources for Outputs	183	234	125
TOTAL FOR OUTCOME 1 (total price of outputs and administered expenses)	10,077	8,174	9,738

* Full-year budget, including additional estimates

** Budget prior to additional estimates

Note 1: The 1999-2000 PBS estimated price for Output 1.2 included \$464,000 to be held in reserve for future capital works pending completion of a review of the Government House strategic works plan.

Note 2: The actual price of outputs for 1999-2000 includes \$.194m capital use charge shown as a distribution across outputs. In 1999-2000, \$.107m was funded through price of outputs appropriations for Capital Use Charge.

	1999-2000	2000-2001
Average Staffing Level	71.6	74.3

Significant Output Price Variations.

The significant variations in output price for 1999-2000 when compared with 1999-2000 budget estimate result from:

- Suppliers' expenses of \$.75m less than estimated in the 1999-2000 budget. This was largely because provisions made for the Governor-General's travel for 1999-2000 were underspent by \$.592m. This factor contributed in large measure to the lower than estimated expenses of Output 1.1.
- Employee expenses of \$.257m less than estimated in the 1999-2000 budget. The main factor contributing to the lower than expected employee expenses was the large staff turnover in 1999-2000 (18% of ongoing positions were vacated in the last financial year.) As a result, a number of positions were not filled for the full year or were temporarily filled by staff hired from employment contractors until permanent filling action was completed. Also, the resignation/retirement of a number of long serving staff reduced the amount of accrued employee entitlements. This contributed to the lower than estimated expenses across all three Outputs.
- In keeping with an interim accounting arrangement agreed by the Department of Finance and Administration in the context of the 1999-2000 Budget, \$.464m of the price agreed for Output 1.2 in that budget was retained in departmental cash reserves. The reserved funds were retained to provide for future capital works to the official properties following a review of the Government House strategic works plan which commenced in 1999-2000. For the 2000-01 budget, all funding for capital works (current and future) has been identified specifically for that purpose in the capital budget.

Variation in Administered Expenses.

Administered expenses fell short of expected expenses largely because program funding for the Australian Sports Medal and Centenary of Federation Medal received in the 1999-2000 budget was not fully spent. Deferral of commencement of issue of both medals has resulted in finalisation of insignia production for these large projects in the next financial year. \$.618 m in program funding for these particular medal projects was rescheduled to the 2000-01 budget year.

Capital Budget 1999-2000

In 1999-2000, the Office received an Agency capital injection of \$690,000 for the purchase of non-current assets. A total of \$.462m was spent on asset purchases with some \$.228m spent on computer software redevelopment, management systems and hardware upgrades. The remainder was spent on furniture and fittings, non-office plant and equipment and motor vehicles.

An administered capital appropriation of \$.252m was received for current year capital works to the official properties and \$239,388 was spent on property improvements. Details of the projects undertaken can be found in the performance report for Output 1.2.

OUTPUT 1.1 – Administrative and Hospitality Support to the Governor-General

Table 2 - Performance Indicators for Output 1.1 – 1999-2000

<p>Output 1.1 Administrative and hospitality support to the Governor-General.</p>	<p><i>Quality:</i> Feedback from the Governor-General and spouse and external clients. <i>Quantity:</i> - Estimated 500+ official activities coordinated and 500+ briefings provided. - 6000+ items of correspondence handled.</p>
--	---

Table 3 - Financial Performance for Output 1.1 – 1999-2000

	1999-2000 Budget Estimate	Actual Expenses 1999-2000
Cost of Output 1.1*	\$4.118m	\$3,544m
Administered Appropriation Governor-General's Salary	\$0.058m	\$0.058m

*Differences between the actual and budgeted costs of outputs are discussed in the Financial Performance Section above.

Qualitative Assessment

The key outcomes/results for Output 1.1 are that:

- all constitutional, statutory and representational activities supported meet the expectations of the Governor-General and Lady Deane; and that
- household operations, including official hospitality, are conducted to the Governor-General's satisfaction and in a manner that reflects the status of the official residences.

Administrative staff supporting Output 1.1 assist the Governor-General and Lady Deane with their representational activities, including travel planning and organisation, liaison with government, governmental authorities, Buckingham Palace, community groups and individuals, and the preparation of drafts of messages, speeches and correspondence. Advice is also provided on policy, precedent and practice.

Hospitality staff supporting the output provide a high standard of catering services for official functions, maintain the official households, and provide driver services to the Governor-General and Lady Deane.

Apart from routine feedback provided by the Governor-General and Lady Deane, feedback is received from guests at official functions, from members of the public, and from governments and government bodies and community organisations coordinating or supporting official events. During 1999-2000, guests at many functions expressed positive comments about the arrangements made.

Key Results

In 1999-2000, 341 official activities were supported and briefings provided. Details of the activities supported are provided in Table 4 below.

Table 4 – Official Activities Supported

Functions Hosted:	Number	Guests Received
- Government House	113	5327
- Admiralty House	22	1103
Total Functions/Guests	135	6430
External Events Supported	206	
Total Official Activities	341	

The number of guests entertained by the Governor-General and Lady Deane has increased each year during the Governor-General's term of office. In addition, many thousands of school children visit the grounds of Government House each year.

A highlight for the year was the Royal Visit from the 17th to the 28th March, during which time Government House Canberra became the official residence for Her Majesty The Queen and His Royal Highness the Duke of Edinburgh.

In September 1999, State dinners were held in honour of His Excellency Jiang Zemin, the President of the People's Republic of China and Madame Wang Yeping and for His Excellency Kim Dae-Jung, the President of the Republic of Korea, and Mrs Kim Dae-Jung.

The Governor-General's programme for 1999-2000 included two overseas visits. The first was a visit to Switzerland in August 1999 to support family and friends mourning the death of 14 Australians in a canyoning tragedy in Interlaken. The second was to officiate at the lighting of the Olympic torch at Ancient Olympia in Greece in May 2000.

The functions hosted by the Governor-General and Lady Deane included ceremonies involving the presentation of credentials by foreign diplomats and investiture ceremonies to present insignia for awards within the Australian honours system. Credentials ceremonies are usually held in groups of three or four and in 1999-2000 23 ceremonies took place. Investiture ceremonies are generally held twice a year, with one morning ceremony and one afternoon ceremony in mid-April and mid-September. Additionally, in October 1999 there was a special investiture held at Government House to recognise acts of bravery during the fire on the HMAS WESTRALIA. In March 2000, Major General Peter Cosgrove was appointed a Companion in the Military Division of the Order of Australia and Mr Alan Mills was appointed an Officer in the General Division in recognition of their leadership roles in East Timor. During the Royal visit in March, Her Majesty The Queen invested General Cosgrove and Mr Mills and other members of the Defence Force involved in East Timor with the insignia of their awards.

In addition to providing support for the Governor-General's official programme of activities, this output is responsible for ensuring that the Governor-General's correspondence, and the telephone queries received for him and about his role, are handled promptly and effectively. In 1999-2000, some 5,067 items of official correspondence were actioned including 3,191 general representations from members of the public. Also handled were 2957 requests for messages of congratulations from The Queen and the Governor-General for Australians celebrating their 100th and subsequent birthdays and for couples celebrating 60th, 65th and 70th wedding anniversaries.

The Internet website for the Governor-General (<http://www.gg.gov.au>) launched during the year is proving to be a valuable tool for quickly assisting members of the public with their queries about the Governor-General's role and for making readily accessible his speeches and information about activities undertaken.

OUTPUT 1.2 – Maintenance of the Official Properties

Table 5 - Performance Indicators for Output 1.2 - 1999-2000

<p>Output 1.2. Maintenance of the official properties</p>	<p><i>Quality:</i> Satisfaction of the Governor-General and spouse and Official Establishments Trust with the conservation and development of the official properties.</p> <p><i>Quantity:</i></p> <ul style="list-style-type: none"> - Maintenance of 55 hectares of grounds of which 23 are cultivated for official gardens. - Estate management for Government House and Admiralty House buildings (2 official residences and 20 associated buildings). - Access to the official properties for an estimated 10,000 members of the public for charity open days and for school visits
<p>Performance Information for Administered Item</p>	
<p>Capital improvements of the official properties.</p>	<p><i>Quality:</i> The quality and character of the properties is maintained.</p> <p><i>Quantity:</i> 2 properties (with 2 heritage buildings and 20 associated buildings) covering 55 hectares of ground under maintenance.</p>

Table 6 - Financial Performance Output 1.2 - 1999-2000

Appropriation	1999-2000 Budget Estimate	Actual Expense 1999-2000
Cost of Output 1.2*	\$2.650m	\$2,037m
Administered Appropriation Capital improvements of the official properties.	\$.184m	\$.159m
Administered Capital	\$.252m	\$.239m

*Differences between the actual and budgeted costs of outputs are discussed above in the Financial Performance Section (pages 7-10).

The costs for Output 1.2 are the operating costs of managing and providing the caretaking, building maintenance and gardening functions at Government House and Admiralty House and include rolling maintenance costs. Restoration, refurbishment and major development works at the official properties are capitalised as administered items. Because the capital improvements to the official properties are linked with the performance of this output they will be discussed in the output results below.

Qualitative Assessment

This output is responsible for ensuring that:

- the maintenance, development, restoration and refurbishment of the official residences and associated buildings and grounds reflect their historic importance and meet the high standard expected for public buildings of this nature; and
- the Governor-General and Lady Deane are satisfied that the residences and grounds are appropriately maintained.

To maintain these standards, the Official Establishments Trust is consulted on all major maintenance, refurbishment and landscape issues. Before proceeding with major maintenance, refurbishment or landscape works at Government House, the National Capital Authority and the Australian Heritage Commission are also consulted. The New South Wales Heritage Council is consulted when similar works are undertaken at Admiralty House. In compliance with the Official Establishments Trust's advice, heritage architects are engaged to draw up plans, run tender processes and oversee each project to completion. In 1999-2000, the Office was represented at four Official Establishment Trust meetings.

The Australiana Fund and the National Gallery of Australia provide furniture and art works for the residences and are consulted on interior furnishing and art matters. The Australiana Fund provided two new items, a glass vase and a powder horn, for Admiralty House this financial year. The National Gallery of Australia provided two more paintings to add to their collection on loan at Government House. On occasions, the National Gallery of Australia requires the return of artwork on loan to the Houses for exhibition purposes or conservation work. On these occasions, the Gallery provides appropriate replacements. During the year, the Governor-General and Lady Deane provide feedback on household and property maintenance standards.

Key Results

The strategic works plan for the development and restoration of Government House reached a stage where it could usefully be brought up-to-date as many of the major recommendations of the 1991 plan have now been implemented. Allom, Lovell & Associates, producers of the original document, was asked to undertake a review, and produce an up-dated draft plan for consideration by the Office and the Official Establishments Trust during this financial year. A draft of the up-dated plan was made available in March and remains under consideration. In the meantime one of its recommendations, disabled access at the State Entrance, has already been accepted as a priority issue.

In 1999-2000, the firm of landscape architects, J. Easthope & Associates, coordinated a grounds survey and a tree assessment for Government House. A garden management plan is being developed in consultation with the Gardening Supervisor. The grounds survey is complete, the tree assessment and management plan are underway.

As indicated above, in 1999-2000 the Office spent \$.239m of its \$.252m administered capital allocation. Major undertakings were: the development of the old lawn tennis

court opposite the State Entrance; up-grading the main electrical switchboard; and preliminary survey work and design concepts for disabled access at the State Entrance to Government House. At Admiralty House, Sydney, the historic Marine Barracks underwent remedial damp proofing and restoration works to the interior. Some restoration work of the exterior sandstone walls will be carried out next.

Other maintenance activities at Government House and Admiralty House in 1999-2000 included:

- painting the exterior of Government House;
- restoring the lighting in the Governor-General's study, Government House, to its original configuration;
- at Admiralty House, painting the balustrade and the external doors on the balcony;
- painting the exterior of the staff accommodation wing, Admiralty House; and
- on going general preventative maintenance at both Houses.

Important activities conducted by staff supporting this output are open days and school visits to the official residences. During the year some 6,282 students and teachers from 129 different schools visited Government House, Canberra, for a tour of the gardens and the outside of the House. In addition there were five fundraising days, four at Government House and one at Admiralty House. These fundraising events were attended by approximately 14,760 people, raising in the region of \$57,000 for the organisations involved.

OUTPUT 1.3 - Administration of the Australian Honours and Awards System.

Overview

The Australian Honours Secretariat was established in 1975 following the introduction of the Australian honours system. The Secretariat is responsible for administering on behalf of the Governor-General more than 40 different award types that make up the Australian honours system. The pre-eminent award within the honours system is the Order of Australia and is the means by which contributions of members of the community are accorded national recognition. As such, support for these community awards comprises the largest component of the Secretariat's resources. In performing its role the Secretariat provides quality research and high level support to the Council for the Order of Australia. The Secretariat also supports the work of the Australian Bravery Decorations Council and is responsible for ensuring that all other awards, including decorations for gallantry, meritorious service, conspicuous service, distinguished service, skill at arms, campaign service in peace and war, exceptional service in Antarctica and long service are approved in accordance with gazetted regulations. The current membership of the advisory councils for the Order of Australia and Australian bravery awards is at Appendix A.

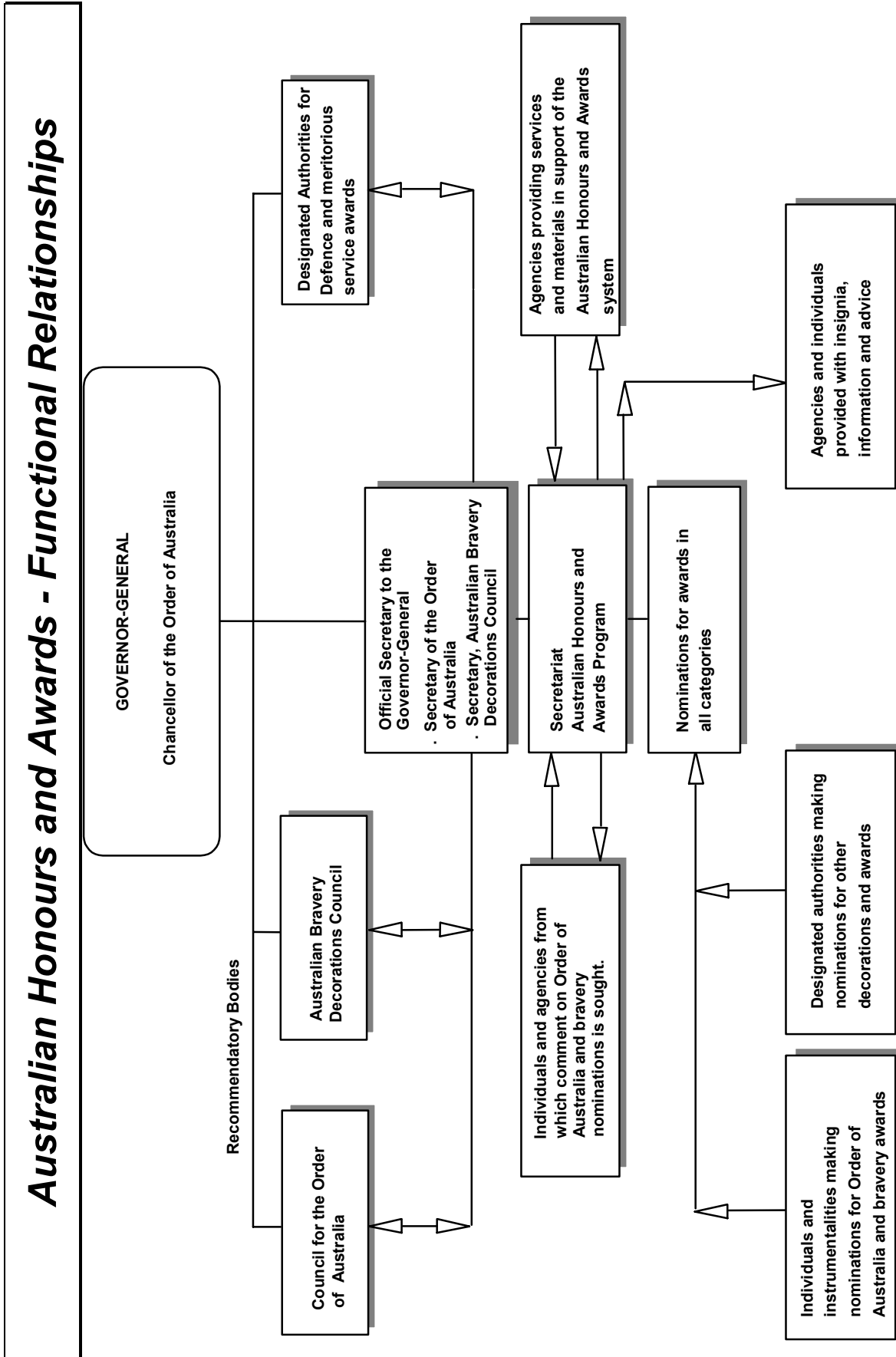
Figure 2 on the next page sets out the functional relationships between the main components of the Australian honours and awards system.

The Secretariat is responsible also for the timely production of all insignia for awards within the honours system, preparing over 1,000 warrants for those receiving awards at investitures during the year and producing publications and documentation associated with the honours system. The Secretariat works closely with the Awards and National Symbols Branch of the Department of the Prime Minister and Cabinet which is responsible for honours policy to ensure greater awareness within the community generally about the purpose and the processes of the honours system. Further information on the criteria for specific awards and on the nomination process may be found on the Internet website for Australian honours and awards at <http://www.itsanhonour.gov.au>.

During 1999-2000, the Secretariat handled the introduction of five new awards within the Australian honours system and the expansion of six existing awards. These new awards comprise two new occupation based merit awards for service in the Australian Ambulance Service and for service in the Emergency Services; a commemorative medal to recognise in the year 2000 the breadth of Australian sporting achievement (being only the second commemorative award struck since the inception of the Australian honours system); a Cadet Forces Service Medal in recognition of eligible service as an Officer or instructor in the Cadet Forces; and the introduction of a campaign medal (INTERFET) to recognise service by Australian Defence Force personnel and others in East Timor. In addition, eligibility criteria were expanded for a range of uniformed and Defence Force long service awards and the first announcement was made of awards for humanitarian service overseas.

A milestone was celebrated on the 14th February 2000 commemorating the 25th anniversary of the establishment of the Australian honours system and its development as a comprehensive system reflecting community values and standards, role modelling, good citizenship and the embodiment of selfless service.

FIGURE 2



Performance Report – Output 1.3

Table 7 - Performance Indicators for Output 1.3 - 1999-2000

Output 1.3 Administration of the Australian Honours and Awards system.	<i>Quality:</i> <ul style="list-style-type: none"> – Feedback from Awards/ Bravery Councils on secretariat support provided. – Awards administration reflects gazetted regulations. <i>Quantity:</i> <ul style="list-style-type: none"> – Estimated 1,500 nominations researched for Order of Australia and Bravery and 60,000 awards granted (includes Defence awards). – 4 Committee meetings serviced.
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Table 8 - Financial Performance for Output 1.3 – 1999-2000

	1999-2000 Budget Estimate	Actual Expenses 1999-2000
Cost of Output 1.3*	\$1.782m	\$1,579m
Administered Appropriation Acquisition of Australian Honours Medals/ Insignia, Warrants, (and <i>Investiture items</i>)	\$1.286m	\$.797m

*Differences between the actual and budgeted costs of outputs are discussed in the Financial Performance Section (pages 7-10).

Qualitative Assessment

The Secretariat's role is to administer efficiently all elements of the Australian honours system on behalf of the Governor-General. Activities undertaken to achieve this outcome are focused on:

- provision of independent research and analysis of nominations for awards;
- high level secretariat support to honours advisory bodies;
- interpretation and application of gazetted regulations for defence, meritorious and long service awards;
- maintaining registers of all awards; and
- timely and cost-effective production of insignia, warrants and honours publications.

Feedback from the respective Chairman and members of the honours advisory Councils is predominantly obtained in the form of oral advice at meetings held four times a year and at other times through close liaison by telephone and in writing. Assessment of the feedback received shows that it is of a positive nature reflecting the high regard Council members have for the quality of research and efficiency of secretariat support services provided. Specific comment relates to the accuracy and timeliness of nomination papers and the professionalism of staff.

Key Results

Table 9. Actual Performance against Output 1.3 Performance Targets

Nature of Award	1999-2000 Estimate of nominations researched/ awards approved	1999-2000 Actual nominations researched/ awards approved
Council for the Order of Australia and Australian Bravery Decorations Advisory Council	1500	1664
Defence, meritorious and long service award approvals	60,000	40,619

Nominations researched by the Secretariat for submission to honours advisory bodies exceeded the number expected by 164 as a result of consideration of incidents for bravery awards involving large numbers of people such as occurred in the Westralia tragedy, the 1998 Sydney to Hobart Yacht Race and at the Longford Gas Plant in Victoria. Normally two meetings of each advisory Council are held each year. During 1999-2000 an additional meeting was held by the Bravery Council to consider the larger than expected caseloads resulting from these major incidents. Handling of the increased caseload was achieved without the need for additional staff resources.

Tables showing the number of Order of Australia nominations considered and awards conferred in 1999-2000, and totals of awards conferred back to 1975, by category and by gender are at Appendix B. Appendices C and D provide similar information on Australian bravery decorations and other meritorious awards conferred.

The number of awards granted for defence service, and for meritorious and long service medals was lower than expected in 1999-2000. This can be attributed to two factors. In relation to Defence awards, there were fewer applications than expected for members of the veteran community now eligible for either newly introduced or expanded campaign medals relating to service in and since World War II. Also, deferral of the establishment of the Australian Sports Medal resulted in considerably fewer awards being granted during the year. Approvals for the granting of these commemorative awards will now take place in the next financial year.

The Secretariat's IT system has been significantly enhanced to improve its use as a primary tool supporting the work of the Office. The redevelopment incorporates substantial automation of administrative tasks; improved work flow efficiencies focusing on specific needs of the Council for the Order of Australia and the Australian Bravery Decorations Council; integration of information received from other agencies submitting nominations for defence, meritorious and long service awards, and improved management information and reports.

In line with system redevelopment, information technology training focussed on familiarising staff with enhanced modes of access to information, including in-house systems and the Internet.

Internal administrative guidelines were further refined to help the Secretariat's staff provide consistently high level research material on nominations for awards.

Administered Expenses

Table 10. Achievement of Medal/Insignia Production Targets 1999-2000

	1999-2000 Estimate of medals/insignia to be purchased	1999-2000 Actual medals/insignia purchased
Defence, meritorious and long service awards	86,000	47,700
Non-defence awards (insignia)	26,000	2,895

Overall, the number of awards manufactured was lower than anticipated in 1999-2000. The number of medals required to be produced in a financial year is closely aligned to the number of awards approved or anticipated during the same period. While the Secretariat seeks to estimate accurately insignia expenditure, major factors such as lower than expected award take up rates directly impact on medal purchases. In the 1999-2000 financial year, a lower than expected Defence award take-up rate reduced the need for expenditure on these medals leading to conservative purchasing practices. Also, deferral of the large issue Australian Sports Medal and other commemorative medals for conferral in the year 2000 and 2001 had a significant impact on reducing the numbers of medals required to be purchased during the financial year.

The Secretariat has continued to develop strategies to create a competitive tendering environment, reducing expenditure for insignia and medals. New suppliers are encouraged to compete for and win contracts and this has resulted in significant cost savings in medal manufacture.

Corporate Governance

The Official Secretary is responsible for managing the Office in a way that promotes the proper use of Commonwealth resources. These responsibilities and the key elements of the governance framework for the Official Secretary as the Office's chief executive are specified in the *Financial Management and Accountability Act 1997*. The Official Secretary meets these responsibilities through a range of management processes including chairing program managers' meetings held as necessary and meetings of the Office's audit committee held three times per year.

The Official Secretary is supported in his management role by four program managers who are responsible for executive support, household and property management, organisation services and support, and administering the Australian honours system. Program managers are responsible for establishing strategic priorities, allocating resources, and monitoring and reporting on team and individual performance through the processes agreed with staff in the Office's performance development scheme. In this scheme, all staff prepare individual work plans based on team goals.

The Audit Committee endorses the annual audit programme for the Office, considers the recommendations contained in individual reports and monitors the implementation of changes in policies and practices flowing from these recommendations.

In addition to the management committees above which are chaired by the Official Secretary, the Office's elected workgroup representative committee (chaired by the Organisation Services and Support Manager) is the consultative forum through which pay and employment conditions are negotiated with staff and their representatives, and which monitors the implementation of employment policies and practices. In 1999-2000, the Committee met five times and focussed mainly on negotiating the Office's second certified agreement discussed below.

Operational Initiatives

As mentioned in the Official Secretary's overview, a number of significant system improvements were undertaken during 1999-2000 including the implementation of a new finance management information system in April 2000, and major redevelopment of the Australian honours and awards database following a Year 2000 compliance upgrade. All Year 2000 compliance work and contingency planning was completed in accordance with the Office for Government Online project management schedule. The office did not experience any Year 2000 problems with any business critical systems.

In 1999-2000, preparations for the introduction of the Goods and Services Tax were made and devolved banking arrangements in accordance with government policy. On this last matter, the Office joined with other agencies in the Prime Minister and Cabinet portfolio to market test banking systems. By the end of the financial year, a preferred banker had been selected and contract negotiations were being undertaken on behalf of the office by the Department of the Prime Minister and Cabinet.

Internal Audit Activities

The Office's audit committee (which comprises the Official Secretary as Chair, two program managers, representatives from the Australian National Audit Office and the Office's internal audit contractors, Walter and Turnbull) met twice in 1999-2000. Walter and Turnbull presented their findings on reviews of the Office's draft financial procedures and on its purchasing, contract management and tendering, and information security arrangements. By the end of the financial year, work had commenced on updating financial procedures and the Office's fringe benefits tax assessment methodology had been revised in accordance with findings of the audit of the previous financial year. Back payments of Fringe Benefits Tax (FBT) resulting from the realignment of the assessment methodology with current Tax Office rulings and amounting to \$69,641 (in respect of FBT years 1997-98 and 1998-99) were paid to the Australian Taxation Office. In response to audit findings on information security arrangements, a review of IT disaster recovery arrangements was undertaken and recommendations for more robust system back-up and recovery mechanisms were implemented.

External Scrutiny

In August 1999, the Auditor-General provided an unqualified audit opinion on the Office's 1998-99 Financial Statements. The Office was not the subject of any agency specific audits during the financial year.

Ethical Standards

Standards of appropriate behaviour for employees in the Office are set out in the Office's code of conduct in its certified agreement for 2000-02 (and in the previous 1998-99 agreement). To ensure that staff are aware of these standards, the Certified Agreement is readily accessible on the Office's Intranet. In negotiations for the 2000-02 certified agreement, the attention of staff was drawn to code of conduct requirements and changes were made to reflect more closely the new Australian Public Service (APS) code of conduct and values. The Office's code of conduct in

large part reflects APS core conduct requirements. New starters to the Office are made aware of conduct requirements at induction and the certified agreement is made available to them.

Financial management and accountability requirements for the Office are laid down in Chief Executive Instructions (CEIs) which are issued by the Official Secretary under the *Financial Management and Accountability (FMA) Act 1997*. The CEIs are cross-referenced to relevant parts of the FMA Act to ensure that those staff with delegated responsibilities are fully aware of their legal obligations. Financial procedures underpin the CEIs and, as mentioned in the internal audit commentary, some of these procedures are under review. The CEIs for the Office are available to all staff on the Office's Intranet.

Management of Human Resources

Staffing Statistics

Table 11 over shows details of the Office's staffing mix as at 30 June 2000 by gender, employment stream, full-time or part-time status and by work location.

In 1999-2000, the Average Staffing Level (ASL) for the Office was 71.6 compared with 76.2 in 1998-99. The main factor contributing to the lower ASL in 1999-2000 was the relatively high turnover of staff (18% of ongoing positions were vacated in 1999-2000 with a number of staff taking retirement). The high turnover rate resulted in a number of positions either being vacant for a period or being temporarily filled by staff hired from employment contractors pending long term filling. The expected ASL for 2000-01 is 74.3.

Table 11 - Staffing Overview (as at 30 June 2000)

Employment Category	Full Time		Part Time		Canberra	Sydney	TOTAL
	F	M	F	M			
Statutory Officer							
		1			1		1
Government House Officer (Executive levels 1 and 2)							
	3	3			6		6
Government House Officer (Administrative)							
Level 6	6	2			8		8
Level 5	7	3	1		11		11
Level 4	1	2			3		3
Level 3	7	1	3		11		11
Level 2	2				2		2
Government House Officer (Gardening)							
Level 6		1			1		1
Level 3		1			1		1
Level 2		1				1	1
Level 1		7			6	1	7
Government House Officer (Domestic, Caretaking, Transport)							
Level 3		3			2	1	3
Level 2		4			4		4
Level 1	8	7			13	2	15
TOTAL	34	36	4		69	5	74

Notes:

- All the above staff were employed under the Governor-General Act 1974 on long-term or temporary contracts
- Number of staff on temporary contract with the Office as at 30 June 2000: 3 Male 1 Female 4 Total

Significant Achievements

The main personnel management achievement for the financial year was the negotiation of the Office's second workplace agreement under the *Workplace Relations Act 1996* with staff and unions. The 2000-02 certified agreement was ratified by the Australian Industrial Relations Commission on 17 March 2000 and will expire on 31 March 2002. The latest agreement builds on the provisions for remunerating and managing staff in the first agency agreement with the following key changes:

- Rates of pay increased by 6.5% (3.5% on the first pay period post-certification and 3% on 1 January 2001) with a sign on bonus of \$500 (pre-tax) for all staff;
- Double time overtime penalty rates replaced by a single common rate of time and one half except on public holidays with the minimum overtime payment period reduced to two hours;
- Annualised overtime paid routinely as part of salary for staff in positions involving regular overtime is fixed for the life of the agreement with excess overtime hours to be taken as time off in lieu;
- Rolling in of inconvenience allowances for gardening, maintenance and executive level staff into base salary; and
- Additional skill based pay points for gardening staff.

Developing Staff

The Office's performance development scheme provides the framework for assessing employee performance and identifying training and development needs.

During the financial year 53 staff participated in training programs run by the Office. Total expenditure on training and development was \$42,459.30. Information technology training (including training for the new financial management system) seminars on accrual budgeting and the GST, and OH&S training were the main areas of focus.

Details of staff training and expenditure by employment category are provided under.

Table 12 - Staff Development and Training – 1999-2000

Employment Category	No of Staff Trained	No of Person Days	Expenditure on Training
Executive Level 1 & 2	6	16.1	\$9,773.44
Administrative Staff	19	33	\$23,062.90
Gardening Staff	9	10.5	\$2,798.76
Domestic Staff	19	26.7	\$6,914.83
TOTAL	53	86.3	\$42,549.30

Senior Executive Remuneration

The Office employs no Senior Executive Service (equivalent level) officers. The terms and conditions for the Official Secretary to the Governor-General are as determined for Commonwealth statutory office holders by the Remuneration Tribunal.

Consultants and Competitive Tendering and Contracting

The Office engages consultants mainly to provide professional and specialist services for works and administration projects, strategic IT support and systems development, and to facilitate organisational change and management reforms.

In selecting and engaging consultants, the Office balances the need for open and effective competition with the need to use procurement methods which are cost effective and efficient. Value for money is always a primary consideration when selecting a consultant. The Office takes advice from the Official Establishments Trust and the National Capital Authority in relation to the choice of appropriately qualified consultant(s) for the provision of professional services relating to the conservation and development of buildings and grounds.

In general, for projects with a value of between \$2,000 and \$30,000 the Office directly approaches a group of known suppliers in the market and consults with other relevant government departments or professional bodies when developing a short-list of consultants. Consultancy projects with a value of more than \$30,000 usually involve requests for tender or invitations to register interest. Single source selections are made only in exceptional circumstances and with the approval of the Official Secretary.

The total number of consultants under engagement in 1999-2000 was 19 and the total amount paid by the Office for consultancy services was \$212,400 with six new contracts awarded during the year. This compares with expenditure of \$269,095 in 1998-99.

Details of new consultancy contracts awarded in 1999-2000 and with a value of \$10,000 or more are provided in Appendix E.

As indicated in the Portfolio Budget Statements for 1999-2000, the Office contracted out for a wide range of professional services including for internal audit, legal services, taxation and financial management support, industrial relations support, OH&S case management support, IT management advice and system testing, asset valuations, property management/development services, and for research services.

Purchasing and Asset Management.

Purchasing activities within the Office were conducted in accordance with Commonwealth procurement guidelines and with the procurement policy above. The internal audit review into purchasing conducted in 1999-2000 found all practices and procedures to be satisfactory. In 1999-2000, financial procedures for purchasing and contracting in a GST environment were promulgated and purchasing staff and managers were fully briefed.

Also in 1999-2000, revaluations of the official properties (land and buildings) were undertaken with values of the total land and buildings at Government House and Admiralty House at 30 June 2000 assessed at \$64,885,000. The valuation policy for the official properties is outlined in the financial statements on page 52.

Details of main asset purchases for 1999-2000 are provided in the capital budget report on pages 9-10.

Occupational Health and Safety

The Office's OH&S policy aims to provide a safe working environment to protect the health and wellbeing of its employees from injury and illness arising in the workplace. The Office's OH&S Committee, which is made up of representatives from each workgroup at Government House and Admiralty House, monitors this policy. Elected representatives to the Committee undertake an accredited health and safety practitioner's course.

In 1999-2000, there were no accidents or dangerous occurrences which required the giving of notice under the *Occupational Health and Safety (Commonwealth Employment Act) 1991*.

There continued to be a strong focus on OH&S training in 1999-2000 with 13 gardening and domestic staff completing first aid level 2 certificates. In addition, nominations were called for staff members from each work team to act as anti-harassment contact officers and by the year's end four staff members will have been trained. Also, staff responsible for maintaining the electric fences at Government House undertook site training.

The Office and St John Ambulance shared the cost of a defibrillator presented to Government House by St John Ambulance in April 2000. A cross-section of staff involved in supporting official functions and open days have been trained to operate it.

Operation of the *Freedom of Information Act 1982*

Section 6A of the *Freedom of Information Act 1982* provides that:

6A. (1) This Act does not apply to any request for access to a document of the Official Secretary to the Governor-General unless the document relates to matters of an administrative nature.

(2) For the purposes of this Act, a document in the possession of a person employed under section 13 of the Governor-General Act 1974 that is in his possession by reason of his employment under that section shall be taken to be in the possession of the Official Secretary to the Governor-General.

No freedom of information (FOI) requests were received during 1999-2000. The Commonwealth FOI Act does not apply to the Order of Australia or bravery decorations, both of which were established by Letters Patent.

Further information in relation to the operation of the FOI Act is set out in APPENDIX F.

MEMBERSHIP OF THE COUNCIL FOR THE ORDER OF AUSTRALIA AND THE AUSTRALIAN BRAVERY DECORATIONS COUNCIL

A. THE ORDER OF AUSTRALIA

The Order of Australia was established as part of the Australian honours system by Letters Patent issued by The Queen on 14 February 1975 and as amended subsequently.

Chancellor of the Order

His Excellency the Honourable Sir William Deane, AC, KBE
Governor-General

Secretary of the Order

Mr M. Bonsey, LVO

COUNCIL FOR THE ORDER OF AUSTRALIA

As at 30 June 2000

Members - ex-officio

The Honourable Dr D.A. Kemp, MP
(Vice-President of the Federal Executive Council)
Admiral C. Barrie, AO, RAN
(Chief of the Defence Force)
Mr A. Henderson, PSM
(Executive Co-ordinator, Government and Corporate Group,
Department of the Prime Minister and Cabinet)

Members - nominated by the Commonwealth Government

* Rear Admiral P. Sinclair, AC, RAN (Rtd)
(Chairman)
* The Honourable Sir James Killen, KCMG
* Dr M. Valadian, AO, MBE
* Dr G. Santoro, AM
* Mrs M. Turbayne, MBE, OAM
Mrs K-A. Kennerley
** Mrs M. Darling
** Major-General W. B. James, AC, MBE, MC (Rtd)

Members - nominated by State and Territory Governments

Mr M. Wauchope (WA)
Ms M. Lyons (NT)
** Ms H. Ringrose (Qld)
Mr D. Ford, CVO, GM (Vic)
** Ms L. Hornsey (Tas)
Dr C. Gellatly (NSW)
Mr I. Kowalick (SA)
Mr A. Thompson (ACT)

* Reappointments, and ** new appointments to the Council who attended the first Council meeting for 2000-01.

B. AUSTRALIAN BRAVERY DECORATIONS

The Australian Bravery Decorations were established as part of the Australian honours system by Letters Patent issued by The Queen on 14 February 1975 and as amended subsequently.

AUSTRALIAN BRAVERY DECORATIONS COUNCIL

As at 30 June 2000

Members - nominated by the Commonwealth Government

Professor V. Pratt, AM
(Chair)
Dr P. Flett
Mr J. Johnson, AO, APM, QPM
Ms D. Read

Members – nominated by State and Territory Governments

Mr L. Quinnell (NSW)
Mr P. Morrison, MVO (Vic)
Ms H. Ringrose (Qld)
The Honourable Sir Harold Young, KCMG (SA)
Mr H. Samson, LVO (WA)
Mr R. Grierson, LVO (Tas)
Mr M. Ockwell (ACT)
Mr P. Farrell (NT)

Members - ex-officio

Dr A. Hawke
(Secretary, Department of Defence)
Mr P. O'Neill
(Assistant Secretary, Awards and National Symbols Branch,
Department of the Prime Minister and Cabinet)

Secretary

Mr M. Bonsey, LVO

**THE ORDER OF AUSTRALIA
AWARDS CONFERRED IN THE GENERAL DIVISION
QUEEN'S BIRTHDAY 1975 TO QUEEN'S BIRTHDAY 2000**

APPENDIX B

Table 1		AWARD LEVELS								
CATEGORY		NUMBER OF NOMINATIONS CONSIDERED	TOTAL AWARDED	% AWARDED	AK *	AD *	AC	AO	AM	OAM
Architecture	M	148	78	52.7%			1	21	49	7
	F	5	2	40.0%					1	1
The Arts	M	1006	554	55.1%			17	80	244	213
	F	574	332	57.8%		1	5	28	109	189
Building & Construction	M	90	48	53.3%				4	30	14
	F	1	1	100.0%					1	
Business & Commerce	M	1162	602	51.8%	2		24	141	304	131
	F	56	34	60.7%				2	22	10
Community & Migrant Assistance	M	719	300	41.7%				9	55	236
	F	197	108	54.8%					8	100
Community	M	8396	3456	41.2%			17	88	561	2790
	F	4413	2207	50.0%			7	48	275	1877
Conservation	M	303	179	59.1%				18	55	106
	F	120	70	58.3%				5	13	52
Dentistry	M	126	57	45.2%				6	36	15
	F	5	1	20.0%					1	
Disabled	M	362	221	61.0%				1	66	154
	F	365	242	66.3%				3	46	193
Education	M	911	454	49.8%	1		13	86	203	151
	F	409	228	55.7%			3	13	90	122
Engineering	M	166	91	54.8%				24	56	11
	F	1	1	100.0%					1	
Industrial Relations	M	275	173	62.9%			3	18	82	70
	F	15	12	80.0%				2	4	6
Information Technology	M	167	66	39.5%			2	11	31	22
	F	72	38	52.8%				4	19	15
International Relations	M	319	160	50.2%	1		35	48	59	17
	F	24	12	50.0%			2	4	6	
Law	M	18	8	44.4%				1	5	2
	F	21	10	47.6%					5	5
Library Services	M	1123	537	47.8%				5	118	414
	F	116	55	47.4%				2	13	40
Local Government	M	376	174	46.3%			3	18	85	68
	F	50	23	46.0%				5	9	9
Media & Communications	M	1402	647	46.1%			17	148	345	137
	F	519	296	57.0%			4	28	115	149
Medicine	M	81	50	61.7%			3	15	25	7
	F	1	1	100.0%					1	
Mining	M	293	141	48.1%	2		18	58	45	18
	F	32	9	28.1%		1		3	3	2
Parliament & Politics	M	640	367	57.3%			1	35	155	176
	F	21	14	66.7%					3	11
Primary Industries	M	1097	446	40.7%	5		35	99	163	144
	F	182	69	37.9%				1	16	52
Public Service	M	779	402	51.6%			4	71	178	149
	F	56	31	55.4%				3	7	21
Religion	M	388	202	52.1%	1		16	68	94	23
	F	42	33	78.6%			2	9	17	5
Science, Technological Developments, R&D	M	1820	975	53.6%			1	14	184	776
	F	460	297	64.6%				3	28	266
Sport & Leisure	M	7	3	42.9%					1	2
	F	93	48	51.6%				5	19	24
Surveying and Mapping	M	17	7	41.2%					1	6
	F		0	0.0%						
Tourism	M	231	96	41.6%			2	13	44	37
	F	12	6	50.0%				1	2	3
Transport	M	39	23	59.0%				4	12	7
	F	2	1	50.0%						1
Veterinary Science	M		0	0.0%						
	F		0	0.0%						
TOTAL	M	22204	10403	46.9%	12	0	210	1089	3225	5867
	F	7791	4142	53.2%	0	2	23	165	814	3138
		29995	14545	48.5%	12	2	233	1254	4039	9005

*Awards at this level were removed in 1986

**THE ORDER OF AUSTRALIA
AWARDS CONFERRED IN THE GENERAL DIVISION
AUSTRALIA DAY 2000 AND QUEEN'S BIRTHDAY 2000**

Table 2					AWARDS LEVELS			
CATEGORY		NUMBER OF NOMINATIONS CONSIDERED	TOTAL AWARDED	% AWARDED	AC	AO	AM	OAM
Architecture	M	4	4	100.0%			3	1
	F		0	0.0%				
The Arts	M	39	21	53.8%		2	6	13
	F	20	9	45.0%		1	1	7
Building & Construction	M	3	1	33.3%			1	
	F		0	0.0%				
Business & Commerce	M	56	37	66.1%	3	3	14	17
	F	1	0	0.0%				
Community & Migrant Assistance	M	25	13	52.0%			1	12
	F	8	6	75.0%				6
Community	M	466	261	56.0%		6	49	206
	F	286	174	60.8%		3	17	154
Conservation	M	15	10	66.7%		3		7
	F	8	4	50.0%				4
Dentistry	M	4	3	75.0%		2	1	
	F		0	0.0%				
Disabled	M	18	10	55.6%			2	8
	F	20	16	80.0%			3	13
Education	M	43	21	48.8%	1	2	7	11
	F	16	7	43.8%		1	3	3
Engineering	M	5	3	60.0%			2	1
	F		0	0.0%				
Industrial Relations	M	2	1	50.0%				1
	F		0	0.0%				
Information Technology	M		0	0.0%				
	F		0	0.0%				
International Relations	M	7	3	42.9%		1	1	1
	F	6	3	50.0%				3
Law	M	22	15	68.2%	2	6	6	1
	F	1	1	100.0%			1	
Library & Related Occupations	M		0	0.0%				
	F		0	0.0%				
Local Government	M	35	17	48.6%		1	4	12
	F	6	4	66.7%			1	3
Media & Communications	M	10	7	70.0%		1	1	5
	F	2	0	0.0%				
Medicine	M	79	37	46.8%		7	18	12
	F	27	17	63.0%		4	2	11
Mining	M	3	2	66.7%			2	
	F		0	0.0%				
Parliament & Politics	M	12	7	58.3%		2	3	2
	F	2	0	0.0%				
Primary Industries	M	17	14	82.4%		1	5	8
	F	2	1	50.0%				1
Public Service	M	21	11	52.4%		3	7	1
	F	1	0	0.0%				
Religion	M	20	12	60.0%			1	11
	F	1	0	0.0%				
Science, Technological Developments, R&D	M	16	11	68.8%		2	7	2
	F	3	0	0.0%				
Sport & Leisure	M	88	56	63.6%			5	51
	F	26	17	65.4%			1	16
Surveying and Mapping	M		0	0.0%				
	F		0	0.0%				
Tourism	M	3	3	100.0%		1	1	1
	F	2	1	50.0%				1
Transport	M	6	3	50.0%				3
	F		0	0.0%				
Veterinary Science	M	5	4	80.0%		2	1	1
	F		0	0.0%				
TOTAL	M	1021	586	57.4%	6	45	147	388
	F	438	260	59.4%	0	9	29	222
		1459	846	58.0%	6	54	176	610

AUSTRALIAN BRAVERY DECORATIONS

TABLE 1 – BRAVERY AWARDS CONFERRED 1975 TO 30 JUNE 2000

CATEGORY	NUMBER OF NOMINATIONS CONSIDERED	TOTAL AWARDED	% AWARDED	AWARD LEVELS				
				CV Cross of Valour	SC Star of Courage	BM Bravery Medal	CBC *	GBC **
Interception of armed offender	105	104	99.0%	1	6	39	58	
Rescue from armed offender	325	288	88.6%		30	127	128	3
Rescue from electrical hazard	26	26	100.0%	1	1	11	13	
Rescue from explosive hazard	47	37	78.7%		4	15	16	2
Rescue from fire - aircraft	0	0	0.0%					
Rescue from fire - building	258	258	100.0%		9	83	166	
Rescue from fire - bushfire	18	18	100.0%		1	3	14	
Rescue from fire - motor vehicle	187	187	100.0%		12	63	112	
Rescue from fire - other	49	29	59.2%		7	18	3	1
Rescue from gases, toxic fumes etc.	21	21	100.0%		2	13	6	
Rescue from heights, cliffs	52	47	90.4%		2	18	25	2
Rescue from holes, wells or mines	58	35	60.3%	1	2	15	14	3
Rescue from inland waters	110	110	100.0%		1	36	73	
Rescue from other situation	109	92	84.4%		5	39	44	4
Rescue from path of oncoming vehicle	17	17	100.0%		1	10	6	
Rescue from water - other	8	7	87.5%		1		6	
Rescue from water - sea	328	283	86.3%		20	86	160	17
Rescue from water - submerged vehicle	18	18	100.0%			4	14	
TOTAL	1736	1577	90.8%	3	104	580	858	32

TABLE 2 – BRAVERY AWARDS CONFERRED 1999-2000

CATEGORY	NUMBER OF NOMINATIONS CONSIDERED	TOTAL AWARDED	% AWARDED	AWARD LEVELS				
				CV	SC	BM	CBC *	GBC **
Interception of armed offender	16	16	100.0%		1	9	6	
Rescue from armed offender	5	5	100.0%			1	4	
Rescue from electrical hazard	5	5	100.0%			3	2	
Rescue from explosive hazard	28	17	60.7%		3	8	5	1
Rescue from fire - aircraft	0	0	0.0%					
Rescue from fire - building	20	14	70.0%		1	5	8	
Rescue from fire - bushfire	3	3	100.0%				3	
Rescue from fire - motor vehicle	11	11	100.0%			2	9	
* Rescue from fire - other	25	8	32.0%			4		4
Rescue from gases, toxic fumes etc.	0	0	0.0%					
Rescue from heights, cliffs	0	0	0.0%					
Rescue from holes, wells or mines	0	0	0.0%					
Rescue from inland waters	6	6	100.0%			3	3	
Rescue from other situation	11	5	45.5%			3	2	
Rescue from path of oncoming vehicle	1	1	100.0%				1	
Rescue from water - other	3	2	66.7%			1	1	
Rescue from water - sea	71	45	63.4%			18	14	13
Rescue from water - submerged vehicle	0	0	0.0%					
TOTAL	205	138	67.3%	0	5	57	58	18***

*CBC - Commendation for Brave Conduct

**GBC - Group Bravery Citation

*** 18 Group Citations for Bravery awarded involving a total of 84 people

**MERITORIOUS AWARDS APPROVED 1999 – 2000
and
TOTAL AWARDS APPROVED**

AWARD	POSTNOMINALS/ ABBREVIATIONS	AWARDS APPROVED 1999 - 2000	TOTAL AWARDS APPROVED TO 30 JUNE 2000
Medal for Gallantry	MG	1	5
Commendation for Gallantry	CG	2	3
Distinguished Service Cross	DSC	6	8
Distinguished Service Medal	DSM	6	11
Commendation for Distinguished Service	CDS	29	44
Meritorious Unit Citation	MUC	3	6 ¹
Conspicuous Service Cross	CSC	25	346
Conspicuous Service Medal	CSM	32	421
Nursing Service Cross	NSC	2	16
Public Service Medal	PSM	45	846
Australian Police Medal	APM	26	709
Australian Fire Service Medal	AFSM	31	414
Ambulance Service Medal	ASM	11	11
Emergency Services Medal	ESM	21	21
Australian Antarctic Medal ²	AAM	5	68
Civilian Service Medal 1939-1945	CSM 39-45	111	6424
Australian Active Service Medal 1945-1975	AASM 45-75	6881	46998
Vietnam Logistics Support Medal	VLSM	462	9027
Australian Active Service Medal	AASM	10125	13924
Australian Service Medal 1945-1975	ASM 45-75	10164	60386
Australian Service Medal	ASM	1359	11656
Police Overseas Service Medal	POSM	216	1345
Humanitarian Overseas Service Medal	HOSM	42	88
Defence Force Service Medal	DFSM	3455	102268
Reserve Force Decoration	RFD	132	4436
Reserve Force Medal	RFM	236	9388
Defence Long Service Medal	DLSM	382	2186
National Medal	NM	5089	110124
Australian Cadet Forces Service Medal	ACFSM		211
Australian Sports Medal	SM	1717	2917
Champion Shots Medal	CS	3	42

¹ 6 Meritorious Unit Citations involving 1005 personnel

² On 18 December 1997 the Antarctic Medal became the Australian Antarctic Medal

CONSULTANCY CONTRACTS AWARDED DURING 1999-2000

Consultant Name	Purpose of Consultancy	Agreed Cost	Publicly Advertised	Reasons for Engaging Consultants
Gail Kinsella & Co	Consultancy Support for GST Implementation	21,800	No	Requirement for specialist expertise not available within agency
Australian Government Solicitor	Legal services	23,400	No	Requirement for specialist expertise not available within agency
Morison Consulting	Budget Management advice and training	10,000	No	Requirement for specialist expertise not available within agency
Heaney, Blaylock and Associates	Certified Agreement	15,000-20,000	No	Requirement for specialist expertise not available within agency

Notes:

Does not include any consultancy contracts awarded and worth less than \$10,000

FREEDOM OF INFORMATION MATTERS

Information required by section 8 of the *Freedom of Information Act 1982* (the FOI Act) to be published in the annual report of the Official Secretary to the Governor-General is set out in the main body of this report (page 26) as well as in this appendix.

FOI procedures and initial contact point

Individuals seeking access to documents relating to matters of an administrative nature in the possession of the Official Secretary should forward a \$30 application fee and apply in writing to:

The Official Secretary
to the Governor-General
Government House
CANBERRA ACT 2600.

Initial access inquiries may be directed to the FOI Contact Officer on (02) 6283 3512.

The Official Secretary is the decision-maker under section 23 of the FOI Act in respect of requests for access.

If access is approved, the Official Secretary will provide copies of documents after payment is received of any charges that apply.

Categories of documents

Documents of an administrative nature

These documents include personnel records, organisation and staffing records, and financial and expenditure records.

Documents open to public access subject to a fee or charge
(subparagraph 8(1)(a)(iii) and paragraph 12(1)(b) of the FOI Act)

The Office holds no documents in this category.

Documents available for access or purchase subject to a fee or other charge
(subparagraph 8(1)(a)(iii) and paragraph 12(1)(c) of the FOI Act)

The Official Secretary's annual report is available for purchase from the Australian Government Publishing Service Bookshops.

Documents customarily available free of charge upon request
(subparagraph 8(1)(a)(iii) of the FOI Act)

The Office customarily makes available free of charge upon request the Governor-General's speeches, and pamphlets on Government House, Admiralty House, Order of Australia and Australian Bravery Decorations.



PART 6

FINANCIAL STATEMENTS



INDEPENDENT AUDIT REPORT

To the Prime Minister

Scope

I have audited the financial statements of the Office of the Official Secretary to the Governor-General for the year ended 30 June 2000. The financial statements comprise:

- Statement by the Official Secretary;
- Agency Operating Statement, Balance Sheet, Statement of Cashflows, Schedule of Commitments and Schedule of Contingencies;
- Statements of Administered Revenues and Expenses, Assets and Liabilities and Cashflows, and Schedules of Administered Contingencies and Commitments; and
- Notes to and forming part of the Financial Statements.

The Department's Official Secretary 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 amounts 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 in Australia so as to present a view of the Office 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 formed on the above basis.

Audit Opinion

In my opinion,

- (i) the financial statements have been prepared in accordance with Schedule 2 of the Finance Minister's Orders;
- (ii) 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 Office of the Official Secretary to the Governor-General as at 30 June 2000 and the results of its operations and its cash flows for the year then ended; and
 - the Commonwealth assets and liabilities as at 30 June 2000 and the revenue, expenses and cash flows of the Commonwealth for the year then ended, which have been administered by the Office.

Australian National Audit Office



Allan Thompson
Executive Director

Delegate of the Auditor-General
Canberra

30 August 2000

Office of the Official Secretary to the Governor-General

STATEMENT BY THE OFFICIAL SECRETARY

CERTIFICATION

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 63 of the *Financial Management and Accountability Act 1997*.

Signed

A handwritten signature in black ink, appearing to read "Martin Bonsey". The signature is written in a cursive style with a long horizontal stroke at the end.

Martin Bonsey
Official Secretary to the Governor-General

30 August 2000

OFFICE OF THE OFFICIAL SECRETARY TO THE GOVERNOR-GENERAL
 AGENCY OPERATING STATEMENT
 for the year ended 30 June 2000

	Notes	1999-00 \$	1998-99 \$
Operating revenues			
Revenues from Government	3A	8,391,945	6,121,478
Sales of goods and services	3B	31,784	46,526
Net gains from sales of assets	3C	25,440	9,042
Interest	3D	70,021	0
Other revenue	3E	83,414	408,998
Total operating revenues		<u>8,602,604</u>	<u>6,586,044</u>
Operating expenses			
Employees	4A	3,777,947	3,727,440
Suppliers	4B	2,976,053	2,871,379
Depreciation and amortisation	4C	201,157	186,341
Stocktake adjustment	4F	11,026	2,939
Total operating expenses		<u>6,966,183</u>	<u>6,788,099</u>
Operating surplus (deficit)		<u>1,636,421</u>	<u>-202,055</u>
Equity Interests			
Accumulated surpluses (deficits) at beginning of the year	15	<u>-49,266</u>	152,789
Total available for appropriation		<u>1,587,155</u>	<u>-49,266</u>
Equity adjustment	2	-55,851	0
Capital use charge provided for or paid		<u>-193,752</u>	0
Accumulated surpluses (deficits) at end of the year	15	<u>1,337,552</u>	<u>-49,266</u>

OFFICE OF THE OFFICIAL SECRETARY TO THE GOVERNOR-GENERAL
 STATEMENT OF ADMINISTERED REVENUES AND EXPENSES
 for the year ended 30 June 2000

	Notes	1999-00 \$	1998-99 \$
Operating revenues			
Non-taxation			
Revenue from Government	3A	1,010,016	1,491,568
Net stocktake adjustments	3F	3,963	-21,052
Other sources of non-taxation revenue	3E	11,530	227,887
Total non-taxation		1,025,509	1,698,403
Total operating revenues		1,025,509	1,698,403
Operating expenses			
Personal Benefits	4A	58,000	58,000
Depreciation and amortisation	4C	158,586	154,632
Net losses from asset sales	4D	656	0
Other	4E	796,737	1,579,950
Total operating expenses		1,013,979	1,792,582
Net contribution to the Budget Outcome		11,530	-94,179
Transfer to Official Public Account		-11,530	-17,145
Net surplus or deficit		0	-111,324
Accumulated results at end of the year	15	41,113,258	41,224,582
Accumulated results at end of the year		41,113,258	41,113,258

OFFICE OF THE OFFICIAL SECRETARY TO THE GOVERNOR GENERAL
 AGENCY BALANCE SHEET
 as at 30 June 2000

	Notes	1999-00 \$	1998-99 \$
ASSETS			
Financial assets			
Cash	5	2,168,098	2,959
Receivables	6	2,533	693,189
Other	7	22,797	0
Total financial assets		2,193,428	696,148
Non-financial assets			
Infrastructure, plant and equipment	8,12	1,124,585	1,051,749
Inventories	9	28,572	35,758
Intangibles	10,12	186,372	57,145
Other	11	18,036	57,315
Total non-financial assets		1,357,565	1,201,967
Total assets		3,550,993	1,898,115
LIABILITIES			
Provisions and payables			
Capital use		28,632	0
Employees	13	1,264,881	1,145,752
Suppliers	14	194,928	111,629
Total provisions and payables		1,488,441	1,257,381
Total liabilities		1,488,441	1,257,381
NET ASSETS		2,062,552	640,734
EQUITY			
Capital		690,000	690,000
Reserves		35,000	0
Accumulated surpluses		1,337,552	-49,266
Total equity	15	2,062,552	640,734
Current liabilities		566,754	379,869
Non-current liabilities		921,687	877,512
Current assets		2,240,036	789,222
Non-current assets		1,310,957	1,108,893

OFFICE OF THE OFFICIAL SECRETARY TO THE GOVERNOR GENERAL
 STATEMENT OF ADMINISTERED ASSETS AND LIABILITIES
 as at 30 June 2000

	Notes	1999-00 \$	1998-99 \$
ASSETS			
Financial assets			
Cash		-10,361	0
Receivables	6	358,507	191
Total financial assets		348,146	191
Non-financial assets			
Land & buildings	8,12	55,796,494	42,075,435
Infrastructure, plant and equipment	8,12	1,609,246	1,678,236
Total non-financial assets		57,405,740	43,753,671
Total assets		57,753,886	43,753,862
LIABILITIES			
Provisions and payables			
Other	14	210,722	0
Total provisions and payables		210,722	0
Total liabilities		210,722	0
NET ASSETS		57,543,164	43,753,862
EQUITY			
Reserves		16,190,518	2,640,604
Capital		239,388	0
Accumulated surpluses		41,113,258	41,113,258
Total equity	15	57,543,164	43,753,862
Current liabilities		210,722	0
Non-current liabilities		0	0
Current assets		348,146	191
Non-current assets		57,405,740	43,753,671

OFFICE OF THE OFFICIAL SECRETARY TO THE GOVERNOR GENERAL
 STATEMENT OF CASH FLOWS
 for the year ended 30 June 2000

	Notes	1999-00 \$	1998-99 \$
OPERATING ACTIVITIES			
Cash received			
Appropriations for outputs		8,366,000	6,965,478
Sales of goods and services		30,727	43,862
Interest		47,225	0
Other		83,414	0
Total cash received		8,527,366	7,009,340
Cash used			
Employees		3,717,062	3,767,154
Suppliers		2,864,341	2,781,666
Total cash used		6,581,403	6,548,820
Net cash from operating activities	16	1,945,963	460,520
INVESTING ACTIVITIES			
Cash received			
Proceeds from sales of property, plant and equipment		156,190	44,479
Total cash received		156,190	44,479
Cash used			
Purchase of property, plant and equipment		461,894	504,540
Total cash used		461,894	504,540
Net cash from (used by) investing activities		-305,704	-460,061
FINANCING ACTIVITIES			
Cash received			
Capital injection		690,000	0
Total cash received		690,000	0
Cash used			
Capital use charge paid		165,120	0
Total cash used		165,120	0
Net cash from financing activities		524,880	0
Net increase in cash held		2,165,139	459
Cash at beginning of the year		2,959	2,500
Cash at end of the year	5	2,168,098	2,959

OFFICE OF THE OFFICIAL SECRETARY TO THE GOVERNOR GENERAL
ADMINISTERED CASH FLOWS
for the year ended 30 June 2000

	Notes	1999-00 \$	1998-99 \$
OPERATING ACTIVITIES			
Cash received			
Cash from Official Public Account		641,339	1,491,568
Other		11,530	14,921
Total cash received		652,869	1,506,489
Cash used			
Personal benefits		58,000	58,000
Cash to Official Public Account		11,530	17,145
Other		593,700	1,155,561
Total cash used		663,230	1,230,706
Net cash from (used by) operating activities	16	-10,361	275,783
INVESTING ACTIVITIES			
Cash received			
Cash from Official Public Account		239,388	0
Proceeds from sale of infrastructure, plant & equipment		0	0
Total cash received		239,388	0
Cash used			
Purchase of non-financial assets		239,388	278,007
Cash to Official Public Account		0	0
Total cash used		239,388	278,007
Net cash from (used by) investing activities		0	-278,007
Net increase(decrease) in cash held			
Cash at beginning of the year		0	2,224
Cash at end of the year	5	-10,361	0

OFFICE OF THE OFFICIAL SECRETARY TO THE GOVERNOR-GENERAL
 SCHEDULE OF COMMITMENTS
 for the year ended 30 June 2000

	Agency		Administered	
	1999-00	1998-99	1999-00	1998-99
	\$	\$	\$	\$
BY TYPE				
OTHER COMMITMENTS				
Operating leases	15,020	14,668	0	0
Project commitments	0	34,040	37,972	0
Other commitments	11,894	77,966	213,550	168,117
Total other commitments	26,914	126,674	251,522	168,117
BY MATURITY				
Other commitments				
One year or less	19,404	92,634	251,522	168,117
From one to two years	7,510	34,040	0	0
From two to five years	0	0	0	0
Over five years	0	0	0	0
Total other commitments	26,914	126,674	251,522	168,117
Operating lease commitments				
One year or less	7,510	7,334	0	0
From one to five years	7,510	7,334	0	0
Over five years	0	0	0	0
Total operating lease commitments	15,020	14,668	0	0

NB: For 1999-00 GST is not quantifiable and therefore has not been included in the financial statements. The comparatives have not been adjusted to reflect GST.

OFFICE OF THE OFFICIAL SECRETARY TO THE GOVERNOR-GENERAL
 SCHEDULE OF CONTINGENCIES
 for the year ended 30 June 2000

	Agency		Administered	
	1999-00	1998-99	1999-00	1998-99
	\$	\$	\$	\$
CONTINGENT LOSSES				
Total contingent losses	0	0	0	0
CONTINGENT GAINS				
Claims for damages/costs	0	0	0	0
Net contingencies	0	0	0	0

OFFICE OF THE OFFICIAL SECRETARY TO THE GOVERNOR-GENERAL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2000

Note	Description
1	Objective of Agency
2	Summary of significant accounting policies
3	Operating revenues
4	Operating expenses
5	Cash
6	Receivables
7	Other Financial Assets
8	Infrastructure, plant and equipment
9	Inventories
10	Intangibles
11	Non-Financial assets – other
12	Analysis of Property, Plant and Equipment
13	Employee provisions and payables
14	Provisions and payables – suppliers
15	Equity
16	Cash flow Reconciliation
17	Act of Grace Payments, Waivers and Write-offs
18	Executive Remuneration
19	Services Provided by the Auditor-General
20	Average Staffing Levels
21	Financial Instruments
22	Appropriations
23	Reporting of Outcomes

NOTE 1. OBJECTIVE OF AGENCY

The objective of the Office of the Official Secretary (the Office) is to assist the Governor-General in performing the constitutional, statutory, ceremonial and public duties associated with the appointment, ensuring that standards relating to the significance of the Office, and maintenance of the heritage value of the Governor-General's residences and grounds, are in keeping with the expectations of the Australian community.

The Office has one outcome:

The Governor-General is enabled to perform the constitutional, statutory, ceremonial and public duties associated with the appointment.

The three outputs below contribute to that outcome:

Output 1.1 - Administrative and hospitality support to the Governor-General;

Output 1.2 - Maintenance of the official properties; and

Output 1.3 - Administration of the Australian Honours and Awards system.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Accounting

These financial statements are required by Section 49 of the *Financial Management and Accountability Act (1997)* and have been prepared in accordance with:

- *Requirements for the Preparation of Financial Statements of Commonwealth Agencies and Authorities* made by the Minister for Finance and Administration in August 1999 (Schedule 2 to the *Financial Management and Accountability (FMA) Orders*);
- Australian Accounting Standards;
- other authoritative pronouncements of the Australian Accounting Standards Boards; and
- the Consensus views of the Urgent Issues Group.

The statements have been prepared having regard to:

- Statements of Accounting Concepts; and
- the Explanatory Notes to Schedule 2 issued by the Department of Finance and Administration.

The financial statements have been prepared on an accrual accounting basis in accordance with the historical cost convention, except for certain assets which, as noted, are at valuation. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

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

2.2 Changes in accounting policy

On-costs associated with employee entitlement liabilities were calculated and reported directly against accumulated funds under the transitional provisions of AAS 29.

2.3 Administered and Agency Items

Agency assets, liabilities, revenues and expenses are those which the Office controls. They are used by the Office in producing its outputs, including:

- computers, plant and equipment used in providing goods and services
- motor vehicles other than the Governor-General's official vehicle
- liabilities for employee entitlements;
- revenues from appropriations or independent sources in payment of outputs, and
- employee, supplier and depreciation expenses incurred in producing outputs.

Administered items are those which are controlled by the Government and managed by the Office on behalf of the Government. The buildings, properties household furniture and fine arts, and the Governor- General's official vehicle (Rolls Royce) are regarded as administered items along with Australian Honours medals and insignia which the Office purchases on behalf of the Government .

The costs of managing these administered items are identified as Agency expenses and are paid from Agency output appropriations.

For accounting purposes, when an administered asset is purchased, it is recorded as an Agency expense. Upon transfer to administered it is treated as revenue in the administered statements in order for it to be capitalised. When an administered asset is to be sold it is first transferred to the Agency Statement, and then sold so that the sale may be properly recorded as Agency revenue.

2.4 Reporting by Outcomes

A comparison of Budget and Actual figures for the Office's outcome as specified in the Appropriation Acts relevant to the Agency is presented in Note 23. The net cost to Budget outcomes shown includes intra-government costs that are eliminated in calculating the actual budget outcome.

2.5 Revenues from Government

Revenues from Government are revenues relating to the core operating activities of the Office.

Policies for accounting for revenue from government follow. Amounts and other details are given in Note 3.

From 1 July 1999, the Commonwealth Budget has been prepared under an accruals framework.

Agency Appropriations

Appropriations to the Office for its departmental outputs are recognised as revenue to the extent that they have been received into the Office's bank account or are entitled to be received by the Office at year-end.

The appropriations for Agency capital items for 1999-2000 include as carryovers, the re-appropriation to the Office of an unspent amount of \$690,000 from 1998-99. This amount was recognised directly in equity in the financial statements for 1998-99.

This is a change in the policy adopted in prior years when Agency appropriations, other than running costs, were recognised as revenue to the extent that the appropriations were spent. Amounts appropriated for Agency running costs were recognised as revenue in the year of appropriation, except to the extent of:

- unspent amounts not automatically carried over into the new financial year, and
- running cost borrowings.

Administered Appropriations

Administered appropriations are recognised as revenues to the extent that expenses have been incurred up to the limit, if any, of each appropriation. Appropriations for administered capital are recognised as the amount appropriated by Parliament.

Resources Received Free of Charge

Resources received free of charge which can be reliably measured are recognised in the Operating Statement as revenues, and as expenses or assets whichever is appropriate.

2.6 Other Revenue

Revenue from the sale of goods is recognised upon delivery of goods to customers. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to financial assets. Revenue from disposal of non-current assets is recognised when control of the asset has passed to the buyer.

All revenues described in this note are revenues relating to the core operating activities of the Office, whether in its own right or on behalf of the Commonwealth. Details of revenue amounts are given in Note 3.

2.7 Employee Entitlements

Leave

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

The provision for annual leave reflects the value of total annual leave entitlements of all employees at 30 June 2000 and is recognised at the nominal amount.

The non-current portion of the liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees as at 30 June 2000. The future value of liabilities have been discounted to take account of inflation.

Superannuation

Staff of the Office contribute to the Commonwealth Superannuation Scheme and the Public Sector Superannuation Scheme. Employer contributions amounting to \$368,134 in 1999-00 (\$386,337 in 1998-99) in relation to these schemes have been expensed in these financial statements.

No liability is shown for superannuation in the Balance Sheet as the employer contributions fully extinguish the accruing liability which is assumed by the Commonwealth.

Employer Superannuation Productivity Benefit contributions totalled \$89,929 in 1999-00 (\$86,803 in 1998-99).

In accordance with Note 2.2, the superannuation contributions payable on recreation leave and long service leave have been incorporated into total employee liabilities in these statements— see Note 13.

2.8 Leases

The Office does not have any finance leases. Operating lease payments are charged to the Operating Statement

2.9 Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand and at bank.

2.10 Financial Instruments

The only financial instruments held by the Office, are cash, amounts payable to suppliers and amounts receivable for goods and services. These items are disclosed in the statements in Note 16 and Note 21A.

2.11 Acquisition of assets

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

2.12 Property, Plant and Equipment

Asset recognition threshold

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

Revaluations

Schedule 2 to the *Financial Management and Accountability (FMA) Orders* requires that buildings, infrastructure, plant and equipment be revalued progressively in accordance with the 'deprival' method of valuation in successive three year cycles.

Land is to be valued annually on the basis of its highest and best use, unless disposal is restricted by legislation, zoning or government policy. In relation to the official properties administered by the Office, the disposal of the land is restricted by government zoning under the National Capital Plan in relation to Government House and New South Wales government legislation (*Governor-General's Residence (Grant) Act 1945*) in respect of Admiralty House.

The Office is implementing the requirements of Schedule 2 as follows for the following classes of assets:

Land was revalued by the Australian Valuation Office as at 30 June 2000 based on its existing use given the restrictions to its use (outlined above) and will be revalued every three years.

Buildings on the properties, given their heritage value, were revalued by the Australian Valuation Office as at 30 June 2000 based on current replacement or reproduction cost.

- Fine arts and antiques acquired prior to 1 July 1990 were revalued at 30 June 1999 at their current market selling price by an independent licensed antiques valuer.
- Major items of household furniture and equipment (in excess of \$10,000 original cost) were revalued by an independent licensed valuer as at 30 June 1999 at their current market buying price.
- Silverware and crystal ware were revalued at current market buying price by an independent licensed valuer as at 30 June 1998.
- Garden plant and equipment in excess of \$20,000 original cost was valued by the Household and Property Manager as at 30 June 1998.
- Prestige vehicle (Rolls Royce) was valued at current market realisable value by an independent commercial licensed auctioneer and valuer of Motor Vehicles as at 30 June 1998.

All other property, plant and equipment is recognised at its depreciated replacement cost.

Any assets which would not be replaced or are surplus to requirements are valued at net realisable value.

Depreciation and amortisation of non-current assets

Depreciable infrastructure, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the Office using, in all cases, the straight line method of depreciation. (Land, being an asset with an unlimited useful life, is not depreciated.)

Depreciation and amortisation rates (useful lives) and methods are reviewed at each balance date and necessary adjustments are recognised in the current and future reporting periods, as appropriate. Given their short useful life (2 years), motor vehicles (other than the prestige vehicle classified separately below) are assigned a residual value for depreciation purposes.

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

	1998-99	1999-2000
Buildings	150 years	40 –150 years*
Plant and Equipment	4 to 12.5 years	4 to 12.5 years
Fine Arts and Antiques	50 years	50 years
Motor Vehicles	2 years	2 years
Prestige Motor Vehicle	50 years	50 years
Intangibles (Computer software)	5 years	5 years
Computer hardware	4 to 5 years	4 to 7 years

*As part of the revaluation of Government House and Admiralty House properties in June 2000, the useful life of each of the buildings on the properties was reassessed and ranges from 40 to 150 years.

The aggregate amount of depreciation allocated for each class of asset during the reporting period is disclosed in Note 4C.

2.11 Inventories

Inventories are not held for resale and are measured at cost.

2.12 Taxation

The Office's activities are exempt from all forms of taxation except for fringe benefits tax, costs of sales tax on the lease of privately plated vehicles and the goods and services tax.

2.13 Capital Usage Charge

A capital use charge of 12% is imposed by the Commonwealth on the net departmental assets of the Office. The charge is adjusted to take account of asset revaluation increments during the financial year.

2.14 Insurance

The Commonwealth's insurable risk managed fund, called 'Comcover', commenced operations in 1998-99. The Office has insured with the fund for risks other than workers' compensation, which is dealt with via continuing arrangements with Comcare.

2.15 Comparative figures

Comparative figures have been adjusted to conform to changes in presentation in these financial statement where required.

Comparatives are not presented in Notes dealing with the Reporting on Outcomes, due to 1999-2000 being the first year of the implementation of accrual budgeting.

2.16 Events occurring after balance date

The Office is not aware of any events occurring after balance date that would impact on these financial statements materially.

1999-00
\$

1998-99
\$

NOTE 3 OPERATING REVENUES

Note 3A - Revenues from Government

Appropriations for outputs	8,366,000	6,098,478
Resources received free of charge	25,945	23,000
Total	<u>8,391,945</u>	<u>6,121,478</u>

Administered

Transfers from Official Public Account	651,700	1,491,568
Appropriations accrued	358,316	0
Total	<u>1,010,016</u>	<u>1,491,568</u>

Note 3B - Sales of Goods and Services

Goods	31,784	46,526
Services	0	0
Total	<u>31,784</u>	<u>46,526</u>

Note 3C - Net Gains from Sales of Assets

Non-financial assets		
Infrastructure, plant & equipment	25,440	9,042
Total	<u>25,440</u>	<u>9,042</u>

Note 3D - Interest

Interest on cash deposits	70,021	0
Total	<u>70,021</u>	<u>0</u>

Note 3E - Other Revenue

Transfer from Trust Fund	83,414	0
Asset realignment	0	408,998
Total	<u>83,414</u>	<u>408,998</u>

Administered

Value of assets recognised for the first time	0	212,775
Sale of goods	11,530	15,112
Total	<u>11,530</u>	<u>227,887</u>

Note 3F - Stocktake adjustment

Administered

Non-financial assets		
Infrastructure, plant & equipment	3,963	0
Total	<u>3,963</u>	<u>0</u>

1999-00
\$

1998-99
\$

NOTE 4 OPERATING EXPENSES

Note 4A - Employee Expenses

Remuneration (for services provided)	3,671,409	3,727,440
Separation and redundancy payments	99,902	0
Total remuneration	<u>3,771,311</u>	<u>3,727,440</u>
Other employee expenses	6,636	0
Total	<u><u>3,777,947</u></u>	<u><u>3,727,440</u></u>

Administered		
Personal benefits-Governor General Salary	58,000	58,000
Total	<u>58,000</u>	<u>58,000</u>

Note 4B - Suppliers Expenses

Supply of goods and services	2,968,483	2,857,527
Operating lease rentals	7,570	13,852
Total	<u>2,976,053</u>	<u>2,871,379</u>

Note 4C - Depreciation and Amortisation

The aggregate amounts of depreciation or amortisation expensed during the year for each class of depreciable asset are as follows:

Infrastructure, plant and equipment	182,141	173,516
Intangibles	19,016	12,825
Total	<u>201,157</u>	<u>186,341</u>

Administered		
Infrastructure, plant and equipment	158,586	154,632
Total	<u>158,586</u>	<u>154,632</u>

Note 4D - Net Losses from Sales of Assets

Administered		
Non-financial assets		
Infrastructure, plant and equipment	656	0
Total	<u>656</u>	<u>0</u>

Note 4E - Other Expenses

Administered		
Medal Expenses	796,737	1,198,414
Abnormal Expenses	0	381,536
Total	<u>796,737</u>	<u>1,579,950</u>

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	1999-00	1998-99
	\$	\$
Note 4F - Stocktake Adjustments		
Non-financial assets		
Infrastructure, plant & equipment	11,026	2,939
	<u>11,026</u>	<u>2,939</u>

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	1999-00	1998-99
	\$	\$
FINANCIAL ASSETS		
NOTE 5 CASH		
Agency		
Current Assets		
Cash at bank	1,318,098	2,959
Bank Deposits-Reserve Bank of Australia	850,000	0
	<u>2,168,098</u>	<u>2,959</u>

NOTE 6 RECEIVABLES

Agency

Current Assets

Goods and services	2,533	3,189
less provision for doubtful debts	0	0
	<u>2,533</u>	<u>3,189</u>
Appropriation receivable	0	690,000
	<u>2,533</u>	<u>693,189</u>

Administered		
Appropriations receivable:		
Special appropriations	0	0
Annual appropriations	358,316	0
	<u>358,316</u>	<u>0</u>
Other receivables	191	191
less provision for doubtful debts	0	0
	<u>191</u>	<u>191</u>
Net receivables	<u>358,507</u>	<u>191</u>
Fee receivables which are overdue are aged as follows:		
Not overdue	358,507	191
Overdue by less than 30 days	0	0
Overdue by 30 to 60 days	0	0
Overdue by 60 to 90 days	0	0
Overdue by greater than 90 days	0	0
	<u>358,507</u>	<u>191</u>
Less: Provision for doubtful debts	0	0
Net receivables	<u>358,507</u>	<u>191</u>

NOTE 7 OTHER FINANCIAL ASSETS

Current Assets

Accrued revenue-interest	<u>22,797</u>	<u>0</u>
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	1999-00	1998-99
	\$	\$
NON-FINANCIAL ASSETS		
NOTE 8 INFRASTRUCTURE, PLANT & EQUIPMENT		
Non-Current Assets		
Infrastructure, plant and equipment - at cost	1,389,208	1,684,336
less accumulated depreciation	<u>-403,237</u>	<u>-707,870</u>
	985,971	976,466
Infrastructure, plant & equipment-at valuation	216,104	82,100
less accumulated depreciation	<u>-77,490</u>	<u>-6,818</u>
	138,614	75,282
Total Infrastructure, plant and equipment	<u>1,124,585</u>	<u>1,051,748</u>

Administered		
Land & buildings		
Land-at valuation	41,625,000	31,725,000
Buildings-at valuation	23,260,000	10,491,000
Less: Accumulated depreciation	<u>-9,088,506</u>	<u>-140,566</u>
	14,171,494	10,350,434
Total land & buildings *	<u>55,796,494</u>	<u>42,075,434</u>
Land & buildings were re-valued on 30 June 2000		
Infrastructure, plant & equipment		
Plant & equipment-at cost	555,981	618,186
Less: accumulated depreciation	<u>-129,039</u>	<u>-139,737</u>
Total	426,942	478,449
Infrastructure, plant & equipment-at valuation	1,239,437	1,217,187
less accumulated depreciation	<u>-57,133</u>	<u>-17,400</u>
	1,182,304	1,199,787
Total Infrastructure, plant and equipment	<u>1,609,246</u>	<u>1,678,236</u>
Infrastructure, plant & equipment were re-valued on 30 June 1999		
* Government House and Admiralty House are restricted assets for land valuation purposes. (See note 2.12)		

NOTE 9 INVENTORIES

Current Assets

Inventories		
Inventories not held for sale-cost	28,572	35,758
Total inventories	<u>28,572</u>	<u>35,758</u>

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	1999-00	1998-99
	\$	\$
NOTE 10 INTANGIBLES		
Non-Current Assets		
Computer Software, purchased - at cost	220,015	132,338
less accumulated depreciation	<u>33,643</u>	<u>75,193</u>
Total intangibles	<u><u>186,372</u></u>	<u><u>57,145</u></u>

NOTE 11 NON-FINANCIAL ASSETS-OTHER

Current Assets		
Prepayments	<u>18,036</u>	<u>57,315</u>
	<u><u>18,036</u></u>	<u><u>57,315</u></u>

NOTE 12 Analysis of Property, Plant, Equipment and Intangibles

Agency	Land	Buildings	Total Land and Buildings	Infrastructure Plant and Equipment	Intangibles	Total
	\$	\$	\$	\$	\$	\$
Gross value at 1 July 1999	0	0	0	1,766,436	132,338	1,898,774
Acquisition of replacement assets	0	0	0	379,834	148,244	528,078
Revaluations	0	0	0	-130,070	0	-130,070
Write-offs	0	0	0	0	0	0
Disposals	0	0	0	-377,825	-60,567	-438,392
Other movements	0	0	0	-33,063	0	-33,063
Gross value as at 30 June 2000	0	0	0	1,605,312	220,015	1,825,327
Accumulated depreciation at 1 July 1999	0	0	0	714,688	75,193	789,881
Depreciation on assets held at 1 July 1999	0	0	0	158,117	14,989	173,106
Depreciation for additions	0	0	0	24,024	4,027	28,051
Revaluations	0	0	0	-165,070	0	-165,070
Write-offs	0	0	0	0	0	0
Disposals	0	0	0	-228,995	-60,567	-289,562
Other movements	0	0	0	-22,037	0	-22,037
Accumulated depreciation at 30 June 2000	0	0	0	480,727	33,643	514,370
Net book value at 30 June 2000	0	0	0	1,124,585	186,372	1,310,957
Net book value at 1 July 1999	0	0	0	1,051,748	57,145	1,108,893

Summary of balances of assets at valuation as at 30 June 2000

	Land \$	Buildings \$	Total Land and Buildings \$	Infrastructure Plant and Equipment \$	Intangibles \$	Total \$
As at 30 June 2000						
Gross value	0	0	0	216,104	0	216,104
Accumulated depreciation/ amortisation	0	0	0	-77,490	0	-77,490
Net book value	0	0	0	138,614	0	138,614
As at 30 June 1999						
Gross value	0	0	0	82,100	0	82,100
Accumulated depreciation/ amortisation	0	0	0	-6,918	0	-6,918
Net book value	0	0	0	75,182	0	75,182

NOTE 12 Analysis of Property, Plant, Equipment and Intangibles (continued)

Administered	Land	Buildings	Total Land & Buildings	Infrastructure Plant & Equipment	Intangibles	Total
	\$	\$	\$	\$	\$	\$
Gross value at 1 July 1999	31,725,000	10,491,000	42,216,000	1,835,373	0	44,051,373
Additions	0	241,434	241,434	22,130	0	263,564
Revaluations	9,900,000	12,527,566	22,427,566	0	0	22,427,566
Disposals	0	0	0	-5,000	0	-5,000
Other movements	0	0	0	-57,084	0	-57,084
Sub-total at 30 June 2000	41,625,000	23,260,000	64,885,000	1,795,419	0	66,680,419
Accumulated depreciation at 1 July 1999	0	140,566	140,566	157,137	0	297,703
Depreciation on assets held at 1 July 1999	0	70,289	70,289	88,193	0	158,482
Depreciation for additions	0	0	0	104	0	104
Revaluation adjustment	0	8,877,651	8,877,651	0	0	8,877,651
Disposals	0	0	0	-4,344	0	-4,344
Other movements	0	0	0	-54,918	0	-54,918
Accumulated depreciation at 30 June 2000	0	9,088,506	9,088,506	186,172	0	9,274,678
Net book value at 30 June 2000	41,625,000	14,171,494	55,796,494	1,609,246	0	57,405,740
Net book value at 1 July 1999	31,725,000	10,350,434	42,075,434	1,678,236	0	43,753,670

Summary of balances of assets at valuation as at 30 June 2000

As at 30 June 2000	Land	Buildings	Total Land and Buildings	Infrastructure Plant and Equipment	Intangibles	Total
	\$	\$	\$	\$	\$	\$
Gross value	41,625,000	23,260,000	64,885,000	1,239,437	0	66,124,437
Accumulated depreciation/ amortisation	0	0	0	-57,133	0	-57,133
Net book value	41,625,000	23,260,000	64,885,000	1,182,304	0	66,067,304
As at 30 June 1999						
Gross value	31,725,000	10,491,000	42,216,000	1,217,187	0	43,433,187
Accumulated depreciation/ amortisation	0	-140,566	-140,566	-17,400	0	-157,966
Net book value	31,725,000	10,350,434	42,075,434	1,199,787	0	43,275,221

	1999-00	1998-99
	\$	\$
NOTE 13 EMPLOYEE PROVISIONS & PAYABLES		
Current Liabilities		
Salaries and wages	85,084	57,632
Leave	223,207	202,193
Superannuation	12,902	8,416
Separations and redundancy payments	0	0
Other*	22,002	0
	<u>343,194</u>	<u>268,241</u>
Non-Current Liabilities		
Leave	846,348	877,511
Separations and redundancy payments	0	0
Other*	75,339	0
	<u>921,687</u>	<u>877,511</u>
Total Liabilities		
Salaries and wages	85,084	57,632
Leave	1,069,554	1,079,704
Superannuation	12,902	8,416
Separations and redundancy payments	0	0
Other*	97,341	0
	<u>1,264,881</u>	<u>1,145,752</u>

* Refer to note 2.7.

Note 14A - Provisions & Payables-Suppliers

Current Liabilities

Trade creditors	194,928	111,552
Operating lease rentals	0	77
	<u>194,928</u>	<u>111,629</u>

Note 14B - Other Provisions & Payables

Administered		
Current Liabilities		
Suppliers	210,722	0
Total Liabilities	<u>210,722</u>	<u>0</u>

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NOTE 15 Equity

Item	Capital		Accumulated results		Asset revaluation reserve		TOTAL EQUITY	
	1999-00	1998-99	1999-00	1998-99	1999-00	1998-99	1999-00	1998-99
	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 1999	690,000	0	-49,266	152,789	0	0	640,734	152,789
Operating result	0	0	1,636,421	-202,055	0	0	1,636,421	-202,055
Equity appropriation	0	690,000	0	0	0	0	0	690,000
Capital use charge	0	0	-193,752	0	0	0	-193,752	0
Adjustment direct to equity	0	0	-55,851	0	0	0	-55,851	0
Net revaluation increases	0	0	0	0	35,000	0	35,000	0
Balance at 30 June 2000	690,000	690,000	1,337,552	-49,266	35,000	0	2,062,552	640,734

Item	Capital		Accumulated results		Asset revaluation reserve		TOTAL EQUITY	
	1999-00	1998-99	1999-00	1998-99	1999-00	1998-99	1999-00	1998-99
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 1999	0	0	41,113,258	41,224,582	2,640,604	2,689,909	43,753,862	43,914,491
Injection of capital	239,388	0	0	0	0	0	239,388	0
Contribution to Budget Outcome	0	0	11,530	-94,179	0	0	11,530	-94,179
Amount to Official Public Account	0	0	-11,530	-17,145	0	0	-11,530	-17,145
Net revaluation increments	0	0	0	0	13,549,914	-49,305	13,549,914	-49,305
Transfers to/(from) reserves	0	0	0	0	0	0	0	0
Balance at 30 June 2000	239,388	0	41,113,258	41,113,258	16,190,518	2,640,604	57,543,164	43,753,862

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	1999-00	1998-99
	\$	\$
NOTE 16 CASH FLOW RECONCILIATION		
Reconciliation of operating surplus to net cash provided by operating activities.		
Net Operating surplus (deficit)	1,636,421	-202,055
Depreciation and amortisation	201,157	186,341
Net write-down of non current assets	0	2,939
Loss/(gain) on sale of assets	-25,440	-9,042
Transfer of administered assets and stocktake adjustments	11,026	-408,998
Adjustment for employee on-cost recognition	-55,851	0
Changes in assets and liabilities:		
Decrease/(increase) in receivables	690,656	174,336
Decrease/(increase) in inventories	7,186	-16,158
Decrease/(increase) in other financial assets	-22,797	0
Decrease/(increase) in other non-financial assets	39,279	-17,119
Decrease/(increase) in plant & equipment following revaluation	0	59,050
Increase/(decrease) in employee liabilities	119,129	-40,938
Capital items purchased through creditors	-48,103	0
Increase/(decrease) in supplier liabilities	83,299	42,165
Increase/(decrease) in capital-1998/99 carryover	-690,000	690,000
Net cash provided by operating activities	<u>1,945,963</u>	<u>460,521</u>

Administered		
Reconciliation of net contribution to budget outcomes to net cash provided by operating activities.		
Net contribution to budget outcome	11,530	-94,179
Cash to Official Public Account for operations	-11,530	-17,145
Net surplus or deficit	0	-111,324
Depreciation and amortisation	158,586	154,632
Assets transferred between Administered and Agency	0	381,536
Loss on Sale	656	0
Stocktake adjustment- infrastructure, plant & equipment	-3,963	21,052
Net Value of assets recognised for the first time	0	-212,775
Changes in assets and liabilities:		
Decrease/(increase) in receivables	-358,316	42,853
Decrease/(increase) in other financial assets	0	-191
Capital items purchased through creditors	-18,046	0
Increase/(decrease) in other provisions and payables	210,722	0
Net cash from operating activities	<u>-10,361</u>	<u>275,783</u>

1999-00	1998-99
\$	\$

NOTE 17 ACT OF GRACE PAYMENTS, WAIVERS AND WRITE-OFFS

During the financial year there were no Agency act of grace payments in accordance with directions given under section 33 of the *Financial Management and Accountability Act 1997* (1998-99 \$ nil).

There were no Agency waivers of rights to payments of money pursuant to section 34 of the *Financial Management and Accountability Act 1997* (1998-99 \$ nil).

Write-offs

Amounts written off after consideration by departmental delegates	0	0
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NOTE 18 EXECUTIVE REMUNERATION

The number of Executive who received or were due to receive total remuneration of \$100,000 or more:

1999-00	1998-99
Number	Number

Remuneration Bands

Total remuneration:

\$100 000 to \$110 000	0	1
\$120 001 to \$130 000	0	1
\$160 000 to \$170 000	1	0

	1	2
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Total remuneration of executive officers shown above	160,110	217,000
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Total separation and redundancy payments during the year to executive officers shown above	0	0
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Total remuneration includes salary, employer superannuation and other allowances provided to executive officers

NOTE 19 SERVICES PROVIDED BY THE AUDITOR-GENERAL

Financial statement audit services are provided free of charge to the Department by the Australian National Audit Office.

- resource received free of charge	23,000	23,000
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	23,000	23,000
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NOTE 20 AVERAGE STAFFING LEVELS

The average staffing levels for the Agency in 1999-00 were 71.6 (76.6 for 1998-99)

NOTE 21A - FINANCIAL INSTRUMENTS - AGENCY

a) Terms, conditions and accounting policies

FINANCIAL INSTRUMENT	Notes	Accounting Policies and Methods	Terms and conditions
Financial Assets			
Cash		Deposits are recognised at their nominal amounts. Interest is credited to revenue as it accrues.	The Office invests funds with the Reserve Bank at call. Interest is earned on the daily balance at rates based on money market call rates. Interest is paid on a monthly basis. Average interest rate is 7%.
Receivables for goods and services	6	Receivables are carried at nominal amounts due less any provision for doubtful debts. A provision for doubtful debts is recognised when collection of the full nominal amount is no longer probable. Includes cash and accrued revenues.	Credit sales are on 30 days terms
Other-Accrued revenue	7	Interest is credited to revenue as it accrues. Interest on deposits is payable quarterly.	Effective interest rate is 12%. Interest payments are due on the last day of the quarter.
Financial Liabilities			
Trade creditors and accruals	14	Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the entity.	Trade liabilities are normally settled on 30 day terms.

b) Interest rate risk and net fair values

The Agency's exposure to interest rate risks and the effective interest rates of financial assets and financial liabilities, both recognised and unrecognised at the balance date, are as follows:

	1999-00 \$	1998-99 \$
<i>(I) Financial Assets (interest bearing)</i>		
Cash	2,168,098	2,959
Receivables - Appropriation carryover	3,382	2,375
Includes interest bearing deposits with the Reserve bank of Australia		
<i>(II) Financial Assets (non-interest bearing)</i>		
Receivables	2,533	693,189
Total Financial Assets	2,170,631	696,148

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

(III) Financial Liabilities (non interest bearing)

Trade creditors	194,928	111,629
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The net fair values for trade creditors and accruals which are short-term in nature are approximated by their carrying amounts.

c) Credit risk exposures

The maximum exposure the Office has 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 Balance Sheet. The Office does not have any significant exposures to any concentration of credit risk.

NOTE 21B - ADMINISTERED FINANCIAL INSTRUMENTS

a) Terms, conditions and accounting policies

Financial Instruments	Notes	Accounting Policies and Methods	Terms and conditions
Financial Assets			
Cash		Deposits are recognised at their nominal amounts.	
Receivables for goods and services	6	Receivables are carried at nominal amounts due less any provision for doubtful debts. A provision for doubtful debts is recognised when collection of the full nominal amount is no longer probable.	Credit sales are on 30 days terms
Financial Liabilities			
Trade creditors and accruals	14	Liabilities are recognised for amounts to be paid in the future for goods and services, whether or not billed to the entity.	Trade liabilities are normally settled on 30-day terms.

b) Interest rate risk and net fair values

The Agency's exposure to interest rate risks and the effective interest rates of financial assets and financial liabilities, both recognised and unrecognised at the balance date, are as follows:

	1999-00	1998-99
	\$	\$
<i>(I) Financial Assets (non interest bearing)</i>		
Cash	0	0
Receivables	0	191
Appropriation receivable from Government	358,316	0
	<u>358,316</u>	<u>191</u>

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

(II) Financial Liabilities (non interest bearing)

Trade creditors and accruals	<u>194,722</u>	0
Trade creditors	<u>194,722</u>	0

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

c) Credit risk exposures

The maximum exposure the Office has 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 Administered Assets and Liabilities. The Office does not have any significant exposures to any concentration of credit risk.

NOTE 22 Appropriations

Note 22A - Agency Appropriations

Annual appropriations for Departmental items (price of outputs)

	1999-00
	\$
Balance available at 1 July	
Add: Appropriation Acts No 1 & 3 credits:	
Section 6 - Act 1 - basic appropriations (budget)	8,366,000
Section 6 - Act 3 - basic appropriations	
Section 9 - adjustments	
Section 10 - Advance to the Finance Minister	
Add: FMA Act:	
s30 appropriations	
s31 appropriations	317,556
Total appropriations available for the year	8,683,556
Cash Expenditures during the year*	6,746,523
Balance of appropriations for outputs at 30 June	1,937,033

*This figure is based on actual cash expenditure

Annual appropriations for Departmental non-revenue items

	Equity injections	Loans	Carryovers
	1999-00	1999-00	1999-00
	\$	\$	\$
Balance available at 1 July			
Add: Appropriation Act No 2 (Budget)			690,000
Add: Advance to the Finance Minister			
Add: FMA Act s30 appropriations			
Add: Appropriation Act No 4			
Total appropriations available for the year	0	0	690,000
Cash expenditure debited during the year			461,894
Balance of appropriations for capital at 30 June	0	0	228,106

Note 22B - Administered Appropriations

Annual appropriations for Administered Expenses

OUTCOME 1 - The Governor-General is enabled to perform the constitutional, statutory, ceremonial and public duties associated with the appointment.

	Administered Expenses Approp. Act No 1 1999-00 \$	Other Administered Expenses Approp. Act No 2 1999-00 \$	State Payment Items Approp. Act No 2 1999-00 \$
Balance available at 1 July			
Add: Appropriation Acts No 1/2:			
Basic appropriations specified Acts 1/2 (Budget)	1,470,000		
Basic appropriations specified Acts 3/4			
Section 10 - Advance to the Finance Minister			
Section 11 - Comcover receipts			
Add: FMA Act:			
s30 appropriations			
s31 appropriations			
Total appropriations available for the year	<u>1,470,000</u>	<u>0</u>	<u>0</u>
Cash expenditure debited during the year*	<u>593,700</u>		
Balance unspent	<u>876,300</u>	<u>0</u>	<u>0</u>
Appropriations lapsing	<u>517,984</u>		
Balance of appropriations at 30 June	<u><u>358,316</u></u>	<u><u>0</u></u>	<u><u>0</u></u>

*This figure is based on actual cash expenditure

Annual appropriations for Administered non-revenue items

	Capital 1999-00 \$	
Balance available at 1 July		
Add: Appropriation Act No 2 (Budget)	252,000	
Add: Advance to the Finance Minister		
Add: FMA Act s30 appropriations		
Add: Appropriation Act No 4		
Total appropriations available for the year	<u>252,000</u>	
Expenditure debited during the year		239,388
Balance of appropriations for capital at 30 June	<u><u>12,612</u></u>	

Note 22C - Administered Appropriations

Special Appropriations (unlimited) for administered items

Special Appropriation (Act/section)	Budget estimate 1999-00 \$	Actual expenditure 1999-00 \$	Actual expenditure 1998-99 \$
Governor-General Act 1974	58,000	58,000	58,000
	<u>58,000</u>	<u>58,000</u>	<u>58,000</u>

NOTE 23a Reporting of Outcomes

Reporting by Outcomes-Support for the Governor-General

	Outcome 1		Total	
	Budget	Actual	Budget	Actual
Net Subsidies, benefits and grants expenses	0	0	0	0
Other administered expenses	1,528,000	1,013,979	1,528,000	1,013,979
Total net administered expenses	1,528,000	1,013,979	1,528,000	1,013,979
Add net cost of Department outputs	8,366,000	6,755,524	8,366,000	6,755,524
Outcome before Abnormal/extraordinary items	9,894,000	7,769,503	9,894,000	7,769,503
Abnormal/extraordinary items	0	0	0	0
Net Cost to Budget Outcome	9,894,000	7,769,503	9,894,000	7,769,503
Total assets deployed as at 30/6/00	46,207,000	61,304,879	46,207,000	61,304,879
Net assets deployed as at 30/6/00	44,560,000	59,605,716	44,560,000	59,605,716

Major Agency Revenue & Expenses by Outcome

	Outcome 1 Actual \$
Major expenses	
Employees	3,777,947
Suppliers	2,976,053
Depreciation	201,157
Major sources of revenues other than from government	
Sale of goods and services	31,784
Other	178,875

Major Administered Revenue & Expenses by Outcome

	Outcome 1 Actual \$
Major expenses	
Grants	0
Subsidies	0
Personal benefits	58,000
Major sources of revenues other than from government	
Taxes, fees and fines	0
Other	0

Outcomes	Administered Expenses (\$'000)			Departmental Outputs \$'000					Total Appropriations \$'000	Total Expenses \$'000	
	Expenses against Special Appropriations	Expenses against Annual Appropriations		Total Administered Expenses (A)	Expenses against Revenue from Government (Appropriations) (B)			Expenses against Revenue from other Sources (C)			Total Expenses against Outputs (D) = (A) + (B)
		Appropriation Act 1 & 3	Appropriation Act 2 & 4 (SPP's & New Outcomes)		Special Appropriations	Annual Appropriation Acts	Total				
Outcome 1											
- Actual	58	952	1,010	8,366	8,366	8,366	234	7,160	9,376	8,170	
- Budget	58	1,470	1,528	8,366	8,366	8,366	183	8,549	9,894	10,077	
Total											
- Actual	58	952	1,010	8,366	9,376	9,376	234	7,160	9,376	8,170	
- Budget	58	1,470	1,528	8,366	9,894	9,894	183	8,549	9,894	10,077	
								Appropriation Act 2 Administered Capital			
								- Actual	239,388		
								- Budget	252,000		
								Appropriation Act 2 Departmental Capital			
								- Actual	461,894		
								- Budget	690,000		
								Total Appropriations			
								- Actual	710,658		
								- Budget	951,894		