

# PART 6

Appendices



# Appendix 1

## Financial statements



### INDEPENDENT AUDITOR'S REPORT

#### To the Attorney-General

#### Opinion

In my opinion, the financial statements of the Federal Court of Australia (the Entity) for the year ended 30 June 2020:

- (a) comply with Australian Accounting Standards – Reduced Disclosure Requirements and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Entity as at 30 June 2020 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2020 and for the year then ended:

- Statement by the Chief Executive Officer and Chief Finance Officer of the Federal Court of Australia;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement;
- Administered Schedule of Comprehensive Income;
- Administered Schedule of Assets and Liabilities;
- Administered Reconciliation Schedule;
- Administered Cash Flow Statement; and
- Notes to the financial statements, comprising a summary of significant accounting policies and other explanatory information.

#### Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Chief Executive Officer is responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Reduced Disclosure Requirements and the rules made under the Act. The Chief Executive Officer is also responsible for such internal control as the Chief Executive Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chief Executive Officer is responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result

of an administrative restructure or for any other reason. The Chief Executive Officer is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

#### **Auditor's responsibilities for the audit of the financial statements**

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Colin Bienke  
Audit Principal

Delegate of the Auditor-General

Canberra  
8 September 2020

**Federal Court of Australia****Statement by the Chief Executive Officer and Chief Finance Officer of the Federal Court of Australia**

In our opinion, the attached financial statements for the period ended 30 June 2020 comply with subsection 42(2) of the Public Governance, Performance and Accountability Act 2013 (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Federal Court of Australia will be able to pay its debts as and when they fall due.

Signed



Ms Sia Lagos

Chief Executive Officer/Principal Registrar

8 September 2020

Signed



Ms Kathryn Hunter

Chief Finance Officer

8 September 2020

**Statement of Comprehensive Income**  
for the period ended 30 June 2020

	Notes	2020 S'000	2019 S'000	Original Budget S'000
<b>NET COST OF SERVICES</b>				
<b>Expenses</b>				
Judicial benefits	1.1A	110,159	105,165	106,512
Employee benefits	1.1A	118,666	118,034	116,450
Suppliers	1.1B	92,470	117,297	123,511
Depreciation and amortisation	3.2A	29,955	13,882	14,871
Finance costs	1.1C	2,195	313	331
Impairment loss on financial instruments	1.1D	22	1	-
Write-down and impairment of other assets	1.1E	14	576	-
<b>Total expenses</b>		<b>353,481</b>	<b>355,268</b>	<b>361,675</b>
<b>Own-Source income</b>				
<b>Own-source revenue</b>				
Revenue from contracts with customers	1.2A	2,904	4,081	3,939
Other revenue	1.2B	43,607	42,939	42,765
<b>Total own-source revenue</b>		<b>46,511</b>	<b>47,020</b>	<b>46,704</b>
<b>Other gains</b>				
Liabilities assumed by other agencies		35,450	33,394	27,778
Other gains		1	214	-
<b>Total gains</b>	1.2C	<b>35,451</b>	<b>33,608</b>	<b>27,778</b>
<b>Total own-source income</b>		<b>81,962</b>	<b>80,628</b>	<b>74,482</b>
<b>Net (cost of)/contribution by services</b>		<b>(271,519)</b>	<b>(274,640)</b>	<b>(287,193)</b>
Revenue from Government	1.2D	273,973	265,352	272,322
<b>Surplus/(Deficit) on continuing operations</b>		<b>2,454</b>	<b>(9,288)</b>	<b>(14,871)</b>
<b>OTHER COMPREHENSIVE INCOME</b>				
<b>Items not subject to subsequent reclassification to net cost of services</b>				
Changes in asset revaluation surplus		4,107	57	-
<b>Total other comprehensive income</b>		<b>4,107</b>	<b>57</b>	<b>-</b>
<b>Total comprehensive income / (loss)</b>		<b>6,561</b>	<b>(9,231)</b>	<b>(14,871)</b>

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

**Budget Variances Commentary**

**Statement of Comprehensive Income**

Judicial benefits

Judicial benefits are higher than budgeted due to the granting of an increase to judicial salaries by the remuneration tribunal that was effective from 1 July 2019, and the revaluation of accrued leave liabilities following an independent valuation and movements in government bond rates.

Suppliers

Supplier expenses are lower than budgeted. The major reason for this variance is the impact of the new accounting standard AASB 16 *Leases*. This standard resulted in the costs of the Entity's leases being classified as depreciation expenses rather than supplier expenses.

**Statement of Comprehensive Income**  
*for the period ended 30 June 2020*

Depreciation and amortisation

Depreciation expenses are higher than budgeted following the implementation of AASB16 *Leases*. The Entity added right of use lease assets to its balance sheet and a subsequent depreciation charge followed. This charge was not part of the budgeted figures.

Finance costs

Finance costs are higher than budgeted following the implementation of AASB16 *Leases*.

Revenue from contracts with customers

The Entity received lower revenue than was anticipated in relation to its International Programs work. This work was severely curtailed following the COVID-19 outbreak.

Liabilities assumed by other agencies

The gain received in relation to notional judicial superannuation costs was higher than budgeted due to an increase in the actuarial assessment of the value of these benefits.

Revenue from Government

This is higher than budgeted due to additional appropriation received from Government at additional estimates.

**Statement of Financial Position**  
as at 30 June 2020

	Notes	2020 \$'000	2019 \$'000	Original Budget \$'000
<b>ASSETS</b>				
<b>Financial assets</b>				
Cash and cash equivalents	3.1A	1,239	1,237	1,353
Trade and other receivables	3.1B	116,393	90,552	67,396
Accrued revenue		-	8	14
<b>Total financial assets</b>		<b>117,632</b>	<b>91,797</b>	<b>68,763</b>
<b>Non-financial assets<sup>1</sup></b>				
Buildings	3.2A	182,130	33,318	47,503
Plant and equipment	3.2A	23,103	14,781	10,675
Computer software	3.2A	11,832	11,397	20,721
Inventories	3.2B	36	39	39
Prepayments		1,939	1,767	3,383
<b>Total non-financial assets</b>		<b>219,040</b>	<b>61,302</b>	<b>82,321</b>
<b>Total assets</b>		<b>336,672</b>	<b>153,099</b>	<b>151,084</b>
<b>LIABILITIES</b>				
<b>Payables</b>				
Suppliers	3.3A	4,681	7,911	7,925
Other payables	3.3B	3,733	2,437	2,268
<b>Total payables</b>		<b>8,414</b>	<b>10,348</b>	<b>10,193</b>
<b>Interest bearing liabilities</b>				
Leases	3.4A	151,019	2,574	1,756
<b>Total interest bearing liabilities</b>		<b>151,019</b>	<b>2,574</b>	<b>1,756</b>
<b>Provisions</b>				
Employee provisions	6.1A	66,903	62,390	59,915
Other provisions	3.5A	4,780	4,065	1,991
<b>Total provisions</b>		<b>71,683</b>	<b>66,455</b>	<b>61,906</b>
<b>Total liabilities</b>		<b>231,116</b>	<b>79,377</b>	<b>73,855</b>
<b>Net assets</b>		<b>105,556</b>	<b>73,722</b>	<b>77,229</b>
<b>EQUITY</b>				
Contributed equity		119,508	95,527	119,630
Reserves		12,844	8,737	8,680
Accumulated deficit		(26,796)	(30,542)	(51,081)
<b>Total equity</b>		<b>105,556</b>	<b>73,722</b>	<b>77,229</b>

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

1. Right-of-use assets are included in Buildings, Plant and Equipment.

**Statement of Financial Position**  
*as at 30 June 2020*

**Budget Variances Commentary**

**Statement of Financial Position**

Trade and other receivables

Appropriation receivable is higher than budgeted. This reflects the surplus achieved in 2019-20. There was also an underspend of capital appropriation in 2019-20 due to delays in building and software development projects.

Non-Financial Assets

Non financial assets are higher than budgeted following the implementation of AASB16 *Leases*. This standard has required the addition of all leases to the Entity's balance sheet during 2019-20. This has added \$166m to the value of non-financial assets. In addition, an independent valuation of the Entity's property and equipment assets resulted in a \$4.1m increase in their value.

Other payables

Other payables are higher than budgeted due to the receipt of funding to the value of \$1.1m that is to be expended in the 2020-21 year.

Leases

Lease liabilities are higher than budgeted following the implementation of AASB16 *Leases*. This standard has required the addition of all leases to the Entity's balance sheet during 2019-20.

Employee provisions

Provisions for leave liability have increased following an independent actuarial review during 2019-20 and the movement in government bond rates.

Other provisions

New makegood provisions were entered into, that were not known at the time of the budget.



**Statement of Changes in Equity**  
for the period ended 30 June 2020

	Notes	2020 \$'000	2019 \$'000	Original Budget \$'000
<b>CONTRIBUTED EQUITY</b>				
<b>Opening balance</b>				
Balance carried forward from previous period		95,527	83,232	95,872
<b>Adjusted opening balance</b>		<b>95,527</b>	<b>83,232</b>	<b>95,872</b>
<b>Comprehensive income</b>				
Other comprehensive income		-	-	-
<b>Total comprehensive income/(loss)</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>Transactions with owners</b>				
<b>Contributions by owners</b>				
Departmental capital budget		23,981	12,295	23,758
<b>Total transactions with owners</b>		<b>23,981</b>	<b>12,295</b>	<b>23,758</b>
<b>Closing balance as at 30 June</b>		<b>119,508</b>	<b>95,527</b>	<b>119,630</b>
<b>RETAINED EARNINGS/(ACCUMULATED DEFICIT)</b>				
<b>Opening balance</b>				
Balance carried forward from previous period		(30,542)	(21,254)	(36,210)
Adjustment on initial application of AASB 16		1,292	-	-
<b>Adjusted opening balance</b>		<b>(29,250)</b>	<b>(21,254)</b>	<b>(36,210)</b>
<b>Comprehensive income</b>				
Surplus/(Deficit) for the period		2,454	(9,288)	(14,871)
Other comprehensive income		-	-	-
<b>Total comprehensive income/(loss)</b>		<b>2,454</b>	<b>(9,288)</b>	<b>(14,871)</b>
<b>Closing balance as at 30 June</b>		<b>(26,796)</b>	<b>(30,542)</b>	<b>(51,081)</b>
<b>ASSET REVALUATION RESERVE</b>				
<b>Opening balance</b>				
Balance carried forward from previous period		8,737	8,680	8,680
<b>Adjusted opening balance</b>		<b>8,737</b>	<b>8,680</b>	<b>8,680</b>
<b>Comprehensive income</b>				
Other comprehensive income		4,107	57	-
<b>Total comprehensive income/(loss)</b>		<b>4,107</b>	<b>57</b>	<b>-</b>
<b>Closing balance as at 30 June</b>		<b>12,844</b>	<b>8,737</b>	<b>8,680</b>

**Statement of Changes in Equity**  
for the period ended 30 June 2020

Notes	2020 \$'000	2019 \$'000	Original Budget \$'000
<b>TOTAL EQUITY</b>			
<b>Opening balance</b>			
Balance carried forward from previous period	73,722	70,658	68,342
Adjustment on initial application of AASB 16	1,292	-	-
<b>Adjusted opening balance</b>	<b>75,014</b>	70,658	68,342
<b>Comprehensive income</b>			
Surplus/(Deficit) for the period	2,454	(9,288)	(14,871)
Other comprehensive income	4,107	57	-
<b>Total comprehensive income/(loss)</b>	<b>6,561</b>	(9,231)	(14,871)
<b>Transactions with owners</b>			
<b>Contributions by owners</b>			
Departmental capital budget	23,981	12,295	23,758
<b>Total transactions with owners</b>	<b>23,981</b>	12,295	23,758
<b>Closing balance as at 30 June</b>	<b>105,556</b>	73,722	77,229

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

**Accounting Policy**

Equity Injections

Amounts appropriated which are designated as 'equity injections' for a year (less any formal reductions) and Departmental Capital Budgets (DCBs) are recognised directly in contributed equity in that year.

**Budget Variances Commentary**

**Statement of Changes in Equity**

Accumulated deficit

The improved financial results of the Entity compared to budget in 2018-19 and 2019-20 have led to a better than forecast equity position.

Reserves

There has been an increase to the asset revaluation reserve following an independent valuation of the Entity's assets undertaken during 2019-20.

**Cash Flow Statement**  
for the period ended 30 June 2020

	Notes	2020 \$'000	2019 \$'000	Original Budget \$'000
<b>OPERATING ACTIVITIES</b>				
<b>Cash received</b>				
Appropriations		258,262	261,991	273,018
Sales of goods and rendering of services		3,806	4,067	3,939
GST received		8,448	7,469	-
Other		266	382	-
<b>Total cash received</b>		<u>270,782</u>	<u>273,909</u>	<u>276,957</u>
<b>Cash used</b>				
Employees		188,727	187,134	195,184
Suppliers		59,655	82,334	80,997
Interest payments on lease liabilities		1,860	-	-
Borrowing costs		23	64	80
Section 74 receipts transferred to OPA		3,434	4,706	-
<b>Total cash used</b>		<u>253,699</u>	<u>274,238</u>	<u>276,261</u>
<b>Net cash from/(used by) operating activities</b>		<u>17,083</u>	<u>(329)</u>	<u>696</u>
<b>INVESTING ACTIVITIES</b>				
<b>Cash received</b>				
Proceeds from sales of property, plant and equipment		1	214	-
<b>Total cash received</b>		<u>1</u>	<u>214</u>	<u>-</u>
<b>Cash used</b>				
Purchase of property, plant and equipment		11,581	4,413	22,916
Purchase of intangibles		3,496	3,653	-
<b>Total cash used</b>		<u>15,077</u>	<u>8,066</u>	<u>22,916</u>
<b>Net cash from/(used by) investing activities</b>		<u>(15,076)</u>	<u>(7,852)</u>	<u>(22,916)</u>
<b>FINANCING ACTIVITIES</b>				
<b>Cash received</b>				
Contributed equity		15,926	8,769	23,758
<b>Total cash received</b>		<u>15,926</u>	<u>8,769</u>	<u>23,758</u>
<b>Cash used</b>				
Repayment of borrowings		849	704	992
Principal payments of lease liabilities		17,082	-	-
<b>Total cash used</b>		<u>17,931</u>	<u>704</u>	<u>992</u>
<b>Net Cash from/(used by) financing activities</b>		<u>(2,005)</u>	<u>8,065</u>	<u>22,766</u>
<b>Net increase / (decrease) in cash held</b>		<u>2</u>	<u>(116)</u>	<u>546</u>
Cash and cash equivalents at the beginning of the reporting period		1,237	1,353	807
<b>Cash and cash equivalents at the end of the reporting period</b>	3.1A	<u>1,239</u>	<u>1,237</u>	<u>1,353</u>

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

**Cash Flow Statement**  
*for the period ended 30 June 2020*

**Budget Variances Commentary**

**Statement of Cash Flow Statement**

Cash received from investing activities

Cash from the sale of assets was not budgeted for as it is unpredictable.

Cash used for investing activities and Contributed equity

Asset purchases were lower than expected due to a delay in the completion of building and software development projects.

Principal payments of lease liabilities

This change arises from the implementation during 2019-20 of AASB 16 *Leases*. The changes arising from this new standard were not accounted for during the budget process.

**Administered Schedule of Comprehensive Income**  
for the period ended 30 June 2020

	Notes	2020 \$'000	2019 \$'000	Original Budget \$'000
<b>NET COST OF SERVICES</b>				
<b>Expenses</b>				
Suppliers	2.1A	726	807	880
Impairment loss on financial instruments	2.1B	3,802	3,289	3,200
Other expenses - refunds of fees	2.1C	346	918	900
<b>Total expenses</b>		<b>4,874</b>	<b>5,014</b>	<b>4,980</b>
<b>Income</b>				
<b>Revenue</b>				
<b>Non-taxation revenue</b>				
Fees and fines	2.2A	118,842	89,034	83,419
<b>Total non-taxation revenue</b>		<b>118,842</b>	<b>89,034</b>	<b>83,419</b>
<b>Total revenue</b>		<b>118,842</b>	<b>89,034</b>	<b>83,419</b>
<b>Total income</b>		<b>118,842</b>	<b>89,034</b>	<b>83,419</b>
<b>Net contribution by services</b>		<b>113,968</b>	<b>84,020</b>	<b>78,439</b>
<b>Total comprehensive income</b>		<b>113,968</b>	<b>84,020</b>	<b>78,439</b>

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

**Budget Variances Commentary**

**Administered Schedule of Comprehensive Income**

Fees and fines

Administered revenues relate to activities performed by the Entity on behalf of the Australian Government. The variance to budget is due to the uncertainty in estimating fee revenue and fines, with the Entity on occasion receiving fines on behalf of the Government.

Impairment loss on financial instruments

The variance to budget is due to the uncertainty in estimating fees that may become impaired during the period.

Other expenses

Other expenses relates to the refund of fees. The variance to budget is due to the uncertainty in estimating the amount of fees that may require refund during the period.

**Administered Schedule of Assets and Liabilities**  
as at 30 June 2020

	Notes	2020 \$'000	2019 \$'000	Original Budget \$'000
<b>ASSETS</b>				
<b>Financial Assets</b>				
Cash and cash equivalents	4.1A	103	142	136
Trade and other receivables	4.1B	1,039	2,250	4,599
<b>Total assets administered on behalf of Government</b>		<b>1,142</b>	<b>2,392</b>	<b>4,735</b>
<b>LIABILITIES</b>				
<b>Payables</b>				
Suppliers	4.2A	31	89	-
Other payables	4.2B	543	610	513
<b>Total liabilities administered on behalf of Government</b>		<b>574</b>	<b>699</b>	<b>513</b>
<b>Net assets/(liabilities)</b>		<b>568</b>	<b>1,693</b>	<b>4,222</b>

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

**Budget Variances Commentary**

**Administered Schedule of Assets and Liabilities**

Cash and cash equivalents

There is inherent uncertainty in estimating the cash balance on any particular day.

Trade and other receivables

Trade and other receivables varies from budget due to the implementation of the accounting standard for financial instruments that occurred during 2018-19. This led to an increase in the Entity's doubtful debt provision, reducing the net amount of trade receivables. The financial impact of this change was not known at the time the 2019-20 budget was published.

Suppliers

The variance to budget is a timing difference due to invoices received after 30<sup>th</sup> June.

**Administered Reconciliation Schedule**  
for the period ended 30 June 2020

	2020	2019
	\$'000	\$'000
<b>Opening assets less liabilities as at 1 July</b>	<b>1,693</b>	4,222
Adjustment for change in accounting policies	-	(1,854)
Adjustments for rounding	-	(1)
<b>Adjusted opening assets less liabilities</b>	<b>1,693</b>	2,367
<b>Net contribution by services</b>		
Income	<b>118,842</b>	89,034
Expenses		
Payments to entities other than corporate Commonwealth entities	<b>(4,874)</b>	(5,014)
<b>Transfers (to)/from the Australian Government</b>		
Appropriation transfers from Official Public Account		
Annual appropriations		
Payments to entities other than corporate Commonwealth entities	<b>784</b>	718
Special appropriations (unlimited) s77 PGPA Act repayments		
Payments to entities other than corporate Commonwealth entities	<b>353</b>	923
GST increase to appropriations s74 PGPA Act		
Payments to entities other than corporate Commonwealth entities	<b>78</b>	71
Appropriation transfers to OPA		
Transfers to OPA	<b>(116,308)</b>	(86,406)
<b>Closing assets less liabilities as at 30 June</b>	<b>568</b>	1,693

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

**Accounting Policy**

*Administered cash transfers to and from the Official Public Account*

Revenue collected by the entity for use by the Government rather than the entity is administered revenue. Collections are transferred to the Official Public Account (OPA) maintained by the Department of Finance. Conversely, cash is drawn from the OPA to make payments under Parliamentary appropriation on behalf of Government. These transfers to and from the OPA are adjustments to the administered cash held by the entity on behalf of the Government and reported as such in the schedule of administered cashflows and in the administered reconciliation schedule.

**Administered Cash Flow Statement**  
for the period ended 30 June 2020

	Notes	2020 \$'000	2019 \$'000
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Fees		77,862	81,509
Fines		38,329	4,833
GST received		78	70
<b>Total cash received</b>		<u>116,269</u>	<u>86,412</u>
<b>Cash used</b>			
Suppliers		862	789
Refunds of fees		346	918
Other		7	5
<b>Total cash used</b>		<u>1,215</u>	<u>1,712</u>
<b>Net cash from operating activities</b>		<u>115,054</u>	<u>84,700</u>
<b>Net increase in cash held</b>		<u>115,054</u>	<u>84,700</u>
Cash and cash equivalents at the beginning of the reporting period		142	136
<b>Cash from Official Public Account for:</b>			
Appropriations		1,215	1,712
<b>Total cash from official public account</b>		<u>1,215</u>	<u>1,712</u>
<b>Cash to Official Public Account for:</b>			
Transfer to OPA		(116,308)	(86,406)
<b>Total cash to official public account</b>		<u>(116,308)</u>	<u>(86,406)</u>
<b>Cash and cash equivalents at the end of the reporting period</b>	4.1A	<u>103</u>	<u>142</u>

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



## Overview

### Objectives of the Federal Court of Australia

The Federal Court of Australia listed entity (the Entity) is a non-corporate Commonwealth listed entity for the purposes of the *Public Governance and Accountability Act 2013* (PGPA Act). It is established under section 18ZB of the *Federal Court of Australia Act 1976* (Cth).

Appropriations made by the Federal Parliament for the purposes of the Federal Court of Australia, the Family Court of Australia and the Federal Circuit Court of Australia (all of which are courts established pursuant to Chapter III of the Commonwealth Constitution), as well as the National Native Title Tribunal, are made to the Entity, which is accountable for the financial management of those appropriations.

The objectives of the Entity include the provision of corporate services in support of the operations of the Federal Court, Family Court, Federal Circuit Court and the National Native Title Tribunal.

### The Basis of Preparation

The financial statements are general purpose financial statements and are required by section 42 of the *Public Governance, Performance and Accountability Act 2013*.

The Financial Statements have been prepared in accordance with:

- a) *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR); and
- b) Australian Accounting Standards and Interpretations – Reduced Disclosure Requirements issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars and values are rounded to the nearest thousand dollars unless otherwise specified.

### New Accounting Standards

#### **AASB 15: Revenue from Contracts with Customers and AASB 1058 Income of not for profit entities.**

AASB 15 and AASB 1058 became effective on 1 July 2019.

AASB 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including AASB 118 *Revenue*, AASB 111 *Construction Contracts* and Interpretation 13 *Customer Loyalty Programmes*. The core principle of AASB 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

AASB 1058 is relevant in circumstances where AASB 15 does not apply. AASB 1058 replaces most of the not-for-profit (NFP) provisions of AASB 1004 *Contributions* and applies to transactions where the consideration to acquire an asset is significantly less than fair value principally to enable the Entity to further its objectives, and where volunteer services are received.

The introduction of these standards has been analysed by the Entity and has not led to any material adjustments to accounting policies or financial adjustments.

#### **AASB 16: Leases**

The Entity adopted AASB 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 July 2019. Accordingly, the comparative information presented for 2019 is not restated, that is, it is presented as previously reported under AASB 117 and related interpretations.

AASB 16 provides for certain optional practical expedients, including those related to the initial adoption of the standard. The Entity applied the exemption not to recognise right of use assets and liabilities for leases less than 12 months of lease term remaining as of the date of initial application unless it was considered 'reasonably certain' as it has been continuously leased for several years in the past.

As a lessee, the Entity previously classified leases as operating or finance leases based on its assessment of whether the lease transferred substantially all of the risk and rewards of ownership. Under AASB 16, the Entity recognises right-of-use assets and liabilities for most leases. However, the Entity has elected not to recognise right-of-use assets and lease liabilities for some leases of low value assets based on the value of the underlying asset when new or for short-term leases with a lease term of 12 months or less unless it was considered 'reasonably certain' that the lease would continue - it has been continuously leased for several years in the past.

On adoption of AASB 16, the Entity recognised right-of-use assets and lease liabilities in relation to leases of office space and vehicles which had previously been classified as operating leases.

The lease liabilities were measured at the present value of the remaining lease payments, discounted using the Entity's incremental borrowing rate as at 1 July 2019. The Entity's incremental borrowing rate is the rate at which a similar borrowing could be obtained from an independent creditor under comparable terms and conditions. The weighted average rate applied was 1.09%

	1 July 2019 \$'000
<b>Impact on Transition of AASB 16</b>	
<b>Departmental</b>	
Right-of-use assets - property, plant and equipment	165,939
Lease liabilities	165,939
Retained earnings	1,292
Payables - Suppliers	(1,292)
<b>The following table reconciles the Departmental minimum lease commitments disclosed in the entity's 30 June 2019 annual financial statements to the amount of lease liabilities recognised on 1 July 2019:</b>	
	1 July 2019
<b>Minimum operating lease commitment at 30 June 2019</b>	<b>47,371</b>
Less: short-term leases not recognised under AASB 16	(1,429)
Less: low value leases not recognised under AASB 16	(62)
Plus: effect of extension options reasonably certain to be exercised <sup>1</sup>	<u>128,364</u>
<b>Undiscounted lease payments</b>	<b><u>174,244</u></b>
Less: effect of discounting using the incremental borrowing rate as at the date of initial application	<u>(8,305)</u>
<b>Lease liabilities recognised at 1 July 2019</b>	<b><u>165,939</u></b>

<sup>1</sup>In the Commonwealth Law Courts Buildings, the Department of Finance as the landlord has provided greater certainty about the lease terms to enable reporting under AASB 16.

#### Taxation

The Federal Court of Australia is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

#### Reporting of Administered activities

Administered revenues, expenses, assets, liabilities and cash flows are disclosed in the administered schedules and related notes.

Except where otherwise stated, administered items are accounted for on the same basis and using the same policies as for departmental items, including the application of Australian Accounting Standards.

#### Events after the Reporting Period

##### Departmental

There were no subsequent events that had the potential to significantly affect the ongoing structure and financial activities of the Entity.

##### Administered

There were no subsequent events that had the potential to significantly affect the ongoing structure and financial activities of the Entity.

## 1. Financial Performance

This section analyses the financial performance of the Federal Court of Australia for the year ended 30 June 2020.

### 1.1 Expenses

	2020	2019
	\$'000	\$'000
<b>Note 1.1A: Judicial and Employee Benefits</b>		
Judges remuneration	70,585	67,776
Judicial superannuation defined contribution	4,124	3,996
Judges notional superannuation	35,450	33,393
<b>Total judicial benefits</b>	<b>110,159</b>	<b>105,165</b>
Wages and salaries	88,004	83,942
Superannuation		
Defined contribution plans	10,375	9,420
Defined benefit plans	5,580	5,733
Leave and other entitlements	14,113	16,056
Separation and redundancies	594	2,883
<b>Total employee benefits</b>	<b>118,666</b>	<b>118,034</b>
<b>Total judicial and employee benefits</b>	<b>228,825</b>	<b>223,199</b>

#### Accounting Policy

Accounting policies for employee related expenses are contained in the People and Relationships section.

	2020	2019
	\$'000	\$'000
<b>Note 1.1B: Suppliers</b>		
<b>Goods and services supplied or rendered</b>		
IT services	6,883	7,456
Consultants	795	437
Contractors	1,031	2,378
Property operating costs	9,635	9,901
Courts operation and administration	12,980	13,723
Travel	5,625	8,410
Library purchases	4,357	4,312
Other	6,463	7,097
<b>Total goods and services supplied or rendered</b>	<b>47,770</b>	<b>53,714</b>
Goods supplied	2,941	3,692
Services rendered	44,829	50,022
<b>Total goods and services supplied or rendered</b>	<b>47,770</b>	<b>53,714</b>
<b>Other suppliers</b>		
Operating lease rentals <sup>1</sup>	-	62,090
Short-term leases	632	-
Property resources received free of charge	43,210	-
Workers compensation expenses	858	1,493
<b>Total other suppliers</b>	<b>44,700</b>	<b>63,583</b>
<b>Total suppliers</b>	<b>92,470</b>	<b>117,297</b>

1. The Entity has applied AASB 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117.

The Entity has short-term lease commitments of \$779,145 as at 30 June 2020.

The above lease disclosures should be read in conjunction with the accompanying notes 1.1C, 3.2A and 3.4A.

**Accounting Policy****Short-term leases and leases of low-value assets**

The Entity has elected not to recognise right-of-use assets and lease liabilities for short-term leases of assets that have a lease term of 12 months or less and leases of low-value assets (less than \$10,000).

	2020	2019
	\$'000	\$'000
<b>Note 1.1C: Finance costs</b>		
Finance leases <sup>1</sup>	-	65
Interest on lease liabilities - buildings	1,828	-
Interest on lease liabilities – plant and equipment	55	-
Unwinding of discount - make good	312	248
<b>Total finance costs</b>	<b>2,195</b>	<b>313</b>

1. The Entity has applied AASB 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117.

The above lease disclosures should be read in conjunction with the accompanying notes 1.1B, 3.2A and 3.4A.

**Accounting Policy**

All borrowing costs are expensed as incurred.

	2020	2019
	\$'000	\$'000
<b>Note 1.1D: Impairment loss on financial instruments</b>		
Impairment on financial instruments – doubtful debts	22	1
<b>Total impairment loss on financial instruments</b>	<b>22</b>	<b>1</b>

	2020	2019
	\$'000	\$'000
<b>Note 1.1E: Write-down and impairment of other assets</b>		
Impairment of inventories	10	9
Impairment of plant and equipment	4	72
Impairment on buildings	-	495
<b>Total write-down and impairment of other assets</b>	<b>14</b>	<b>576</b>

**1.2 Own-Source Revenue and Gains**

	2020	2019
	\$'000	\$'000
<b>Own-Source Revenue</b>		
<b>Note 1.2A: Revenue from contracts with customers</b>		
Sale of goods	1	1
Rendering of services	2,903	4,080
<b>Total revenue from contracts with customers</b>	<b>2,904</b>	<b>4,081</b>
<b>Disaggregation of revenue from contracts with customers</b>		
Court administration services	772	887
NZ Aid funded program revenue	1,337	2,398
Government related services	794	795
Other	1	1
<b>Total</b>	<b>2,904</b>	<b>4,081</b>

	2020	2019
	\$'000	\$'000
<b>Note 1.2B: Other Revenue</b>		
Resources received free of charge		
Rent in Commonwealth Law Courts buildings	43,210	42,432
Audit services provided by ANAO	130	125
Other	267	382
<b>Total other revenue</b>	<b>43,607</b>	<b>42,939</b>

#### Accounting Policy

Revenue from the sale of goods is recognised when control has been transferred to the buyer. Revenue is recognised by the Entity under *AASB 15* when the following occurs:

- a contract is identified and each party is committed to perform its obligations;
- the rights and payment terms can be identified; and
- it is probable that the Entity will collect the consideration under the contract when goods or services have been provided.

The Entity identifies its performance obligations in each contract and determines when they have been satisfied. Revenue is recognised at the time performance obligations have been met.

The following is a description of the principal activities from which the Entity generates its revenue:

**Court administration services.** Revenue is recognised when the goods or services are provided to the customer.

**Government related services.** Revenue is recognised at the time the service is provided.

**Services provided to the New Zealand Government.** The Entity has defined performance obligations under the contract with New Zealand, with clearly identified milestones identified in the contract. Revenue is recognised when those performance obligations have been reached.

The transaction price is the total amount of consideration to which the Entity expects to be entitled in exchange for transferring promised goods or services to a customer. The consideration promised in a contract with a customer may include fixed amounts, variable amounts or both. The Entity has not been required to apply the practical expedient on AASB 15.121. There is no consideration from contracts with customers that is not included in the transaction price.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at the end of the reporting period. Allowances are made when the collection of the debt is no longer probable.

#### Resources Received Free of Charge

Resources received free of charge are recognised as gains when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense.

Resources received free of charge have been reclassified from Other Gains to Other Revenue in 2019-20 to more accurately reflect the substance of the transaction. Comparative information has also been updated for consistency.

	2020	2019
	\$'000	\$'000
<b>Note 1.2C: Other Gains</b>		
Liabilities assumed by other agencies	35,450	33,394
Gain on sale of assets	1	214
<b>Total other gains</b>	<b>35,451</b>	<b>76,165</b>

**Accounting Policy***Liabilities assumed by other agencies*

Liabilities assumed by other agencies refers to the notional cost of judicial pensions as calculated by actuaries on behalf of the Department of Finance.

	2020	2019
	\$'000	\$'000
<b>Note 1.2D: Revenue from Government</b>		
Appropriations		
Departmental appropriation	273,973	264,806
Revenue from Government (supplementation)	-	546
<b>Total revenue from Government</b>	<b>273,973</b>	<b>265,352</b>

**Accounting Policy***Revenue from Government*

Amounts appropriated for departmental appropriations for the year (adjusted for any formal additions and reductions) are recognised as Revenue from Government when the entity gains control of the appropriation except for certain amounts that related to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned. Appropriations receivable are recognised at their nominal amounts.

## 2. Income and Expenses Administered on Behalf of Government

This section analyses the activities that the Federal Court of Australia does not control but administers on behalf of the Government. Unless otherwise noted, the accounting policies adopted are consistent with those applied for departmental reporting.

### 2.1 Administered – Expenses

	2020	2019
	\$'000	\$'000
<b>Note 2.1A: Suppliers</b>		
<b>Services rendered</b>		
Supply of primary dispute resolution services	726	807
<b>Total suppliers</b>	<b>726</b>	<b>807</b>
<b>Note 2.1B: Impairment loss on financial instruments</b>		
Impairment of financial instruments – doubtful debts	3,802	3,289
<b>Total impairment loss on financial instruments</b>	<b>3,802</b>	<b>3,289</b>
<b>Note 2.1C: Other expenses</b>		
Refunds of fees	346	918
<b>Total other expenses</b>	<b>346</b>	<b>918</b>

### 2.2 Administered – Income

	2020	2019
	\$'000	\$'000
<b>Revenue</b>		
<b>Non-Taxation Revenue</b>		
<b>Note 2.2A: Fees and Fines</b>		
Hearing Fees	5,664	5,941
Filing and Setting Down Fees	74,849	78,260
Fines	38,329	4,833
<b>Total fees and fines</b>	<b>118,842</b>	<b>89,034</b>

#### Accounting Policy

All administered revenues are revenues relating to the course of ordinary activities performed by the Federal Court of Australia, the Federal Circuit Court and the Family Court of Australia on behalf of the Australian Government. As such administered revenues are not revenues of the Entity. Fees are charged for access to the Entity's services. Administered fee revenue is recognised when the service occurs. The services are performed at the same time as or within two days of the fees becoming due and payable. Revenue from hearing fees is recognised under AASB15 *Revenue from Contracts with customers*. Filing and setting down fee revenue is recognised under AASB1058 *Income of not for profit entities*.

Revenue from fines is recognised when a fine is paid to the Entity on behalf of the Government. Fees and Fines are recognised at their nominal amount due less any impairment allowance. Collectability of debts is reviewed at the end of the reporting period. Impairment allowances are made based on historical rates of default.

### 3. Financial Position

This section analyses the Federal Court of Australia assets used to conduct its operations and the operating liabilities incurred as a result. Employee related information is disclosed in the People and Relationships section.

#### 3.1 Financial Assets

	2020	2019
	\$'000	\$'000
<b>Note 3.1A: Cash and cash equivalents</b>		
Cash at bank	1,222	1,224
Cash on hand	17	13
<b>Total cash and cash equivalents</b>	<b>1,239</b>	<b>1,237</b>
	2020	2019
	\$'000	\$'000
<b>Note 3.1B: Trade and other receivables</b>		
<b>Goods and services receivables</b>		
Goods and services	105	627
<b>Total goods and services receivables</b>	<b>105</b>	<b>627</b>
<b>Appropriations receivable</b>		
Appropriation receivable - operating	92,421	72,730
Appropriation receivable - departmental capital budget	22,923	14,867
<b>Total appropriations receivable</b>	<b>115,344</b>	<b>87,597</b>
<b>Other receivables</b>		
Statutory receivables (GST)	966	1,782
Revenue from Government	-	546
<b>Total other receivables</b>	<b>966</b>	<b>2,328</b>
<b>Total trade and other receivables (gross)</b>	<b>116,415</b>	<b>90,552</b>
Less impairment loss allowance	(22)	-
<b>Total trade and other receivables (net)</b>	<b>116,393</b>	<b>90,552</b>

Credit terms for goods and services were within 30 days (2019: 30 days).

#### Reconciliation of the impairment allowance account:

##### Movements in relation to 2020

	Goods and services \$'000	Other receivables \$'000	Total \$'000
As at 1 July 2019	-	-	-
Amounts written off	-	-	-
Amounts recovered and reversed	-	-	-
Increase/decrease recognised in net surplus	22	-	22
<b>Total as at 30 June 2020</b>	<b>22</b>	<b>-</b>	<b>22</b>

##### Movements in relation to 2019

	Goods and services \$'000	Other receivables \$'000	Total \$'000
As at 1 July 2018	7	-	7
Amounts written off	(7)	-	(7)
Increase/decrease recognised in net surplus	-	-	-
<b>Total as at 30 June 2019</b>	<b>-</b>	<b>-</b>	<b>-</b>



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**Accounting Policy***Financial assets*

Trade receivables, loans and other receivables that are held for the purpose of collecting the contractual cash flows where the cash flows are solely payments of principal and interest, that are not provided at below-market interest rates, are subsequently measured at amortised cost using the effective interest method adjusted for any loss allowance.

*Impairment loss allowance*

Financial assets are assessed for impairment at the end of each reporting period.

**3.2 Non-Financial Assets****Note 3.2A: Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment and Intangibles**

	Buildings - Leasehold Improvements	Plant and equipment	Computer software <sup>1</sup>	Total
	\$'000	\$'000	\$'000	\$'000
<b>As at 1 July 2019</b>				
Gross book value	46,419	25,488	30,533	102,440
Accumulated depreciation, amortisation and impairment	(13,101)	(10,707)	(19,136)	(42,944)
<b>Total as at 1 July 2019</b>	<b>33,318</b>	<b>14,781</b>	<b>11,397</b>	<b>59,496</b>
Recognition of right of use asset on initial application of AASB 16	162,698	3,241	-	165,939
<b>Adjusted total as at 1 July 2019</b>	<b>196,016</b>	<b>18,022</b>	<b>11,397</b>	<b>225,435</b>
<b>Additions</b>				
Purchase	4,725	6,856	3,496	15,077
Finance lease	-	141	-	141
Right-of-use assets	1,079	1,323	-	2,402
Revaluations and impairments recognised in other comprehensive income	1,836	2,188	-	4,024
Depreciation and amortisation	(4,185)	(3,606)	(3,061)	(10,852)
Depreciation on right-of-use assets	(17,341)	(1,762)	-	(19,103)
Disposals on right-of-use assets	-	(55)	-	(55)
Disposals - other	-	(4)	-	(4)
<b>Total as at 30 June 2020</b>	<b>182,130</b>	<b>23,103</b>	<b>11,832</b>	<b>217,065</b>
<b>Total as at 30 June 2020 represented by</b>				
Gross book value	202,699	25,430	34,029	262,158
Accumulated depreciation and impairment	(20,569)	(2,327)	(22,197)	(45,093)
<b>Total as at 30 June 2020</b>	<b>182,130</b>	<b>23,103</b>	<b>11,832</b>	<b>217,065</b>
<b>Carrying amount of right-of-use assets</b>	<b>146,436</b>	<b>2,747</b>	<b>-</b>	<b>149,183</b>

1. The carrying amount of computer software includes \$3.88 million of purchased software and \$7.95 million of internally generated software.

No indicators of impairment were found for property, plant and equipment and intangibles. No property, plant and equipment and intangibles are expected to be sold or disposed of within the next 12 months.

**Revaluations of non-financial assets**

All revaluations were conducted in accordance with the revaluation policy. On 30 June 2020, an independent valuer conducted the revaluations and management conducted a review of the underlying drivers of the independent valuation.

**Contractual commitments for the acquisition of property, plant, equipment and intangible assets**

Capital commitments for property, plant and equipment are \$1.2 million (2019: \$0.13 million). Plant and equipment commitments were primarily contracts for purchases of furniture and IT equipment.

**Accounting Policy***Property, plant and equipment*

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

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

*Asset Recognition Threshold*

Purchases of property, plant and equipment are recognised initially at cost in the statement of financial position, except for purchases of:

- assets other than information technology equipment costing less than \$2,000; and
- information technology equipment costing less than \$1,500.

which are expensed in the year of acquisition.

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to 'make good' provisions in property leases taken up by the Entity where there exists an obligation to restore the property to its original condition. These costs are included in the value of the Entity's leasehold improvements with a corresponding provision for the 'make good' recognised.

#### Lease Right of Use (ROU) Assets

Leased ROU assets are capitalised at the commencement date of the lease and comprise of the initial lease liability amount, initial direct costs incurred when entering into the lease less any lease incentives received. These assets are accounted for by Commonwealth lessees as separate asset classes to corresponding assets owned outright, but included in the same column as where the corresponding underlying assets would be presented if they were owned.

On initial adoption of AASB 16 the Entity has adjusted the ROU assets at the date of initial application by the amount of any provision for onerous leases recognised immediately before the date of initial application. Following initial application, an impairment review is undertaken for any right of use lease asset that shows indicators of impairment and an impairment loss is recognised against any right of use lease asset that is impaired. Lease ROU assets continue to be measured at cost after initial recognition in Commonwealth agency, General Government Services and Whole of Government financial statements.

#### Revaluations

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

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

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

The Entity's assets were independently valued during 2019-20. The valuer has stated in their report that the impact of COVID-19 has introduced significant valuation uncertainty due to rapidly changing economic conditions and a noted reduction in transactional evidence on which to base valuation advice.

#### Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the Entity using, in all cases, the straight-line method of depreciation.

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

Depreciation and amortisation rates for each class of depreciable asset are based on the following useful lives:

	2020	2019
Leasehold improvements	<b>10 to 20 years or lease term</b>	10 to 20 years or lease term
Plant and equipment – excluding library materials	<b>3 to 100 years</b>	3 to 100 years
Plant and equipment – library materials	<b>5 to 10 years</b>	5 to 10 years

The depreciation rates for ROU assets are based on the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term.

#### Impairment

All assets were assessed for impairment at 30 June 2020. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Entity were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

**Derecognition**

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

**Intangibles**

The Entity's intangibles comprise externally and internally developed software for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment losses. Software is amortised on a straight-line basis over its anticipated useful life of 5 years (2019: 5 years).

	2020	2019
	\$'000	\$'000
<b>Note 3.2B: Inventories</b>		
Inventories held for distribution	36	39
<b>Total inventories</b>	<b>36</b>	<b>39</b>

During 2019-20, \$9,989 of inventory held for distribution was recognised as an expense (2019: \$9,141).

**Accounting Policy**

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

Inventories held for distribution are valued at cost, adjusted for any loss of service potential.

Costs incurred in bringing each item of inventory to its present location and condition are assigned as follows:

- a) raw materials and stores - purchase cost on a first-in-first-out basis; and
- b) finished goods and work in progress - cost of direct materials and labour plus attributable costs that can be allocated on a reasonable basis.

Inventories acquired at no cost or nominal consideration are initially measured at current replacement cost at the date of acquisition.

**3.3 Payables**

	2020	2019
	\$'000	\$'000
<b>Note 3.3A: Suppliers</b>		
Trade creditors and accruals	4,681	6,618
Operating lease rentals <sup>1</sup>	-	1,293
<b>Total suppliers</b>	<b>4,681</b>	<b>7,911</b>

Settlement was usually made within 30 days.

1. The Entity has applied AASB 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117.

**Note 3.3B: Other payables**

Salaries and wages	1,440	681
Superannuation	238	115
Separations and redundancies	68	651
Unearned income	1,262	83
Other	725	907
<b>Total other payables</b>	<b>3,733</b>	<b>2,437</b>

<b>3.4 Interest Bearing Liabilities</b>		
	2020	2019
	\$'000	\$'000
<b>Note 3.4A: Leases</b>		
Finance leases <sup>1</sup>	-	2,574
Lease Liabilities		
Buildings	147,960	-
Plant and equipment	3,059	-
<b>Total leases</b>	<b>151,019</b>	<b>2,574</b>

1. The Entity has applied AASB 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117.

<b>3.5 Other Provisions</b>		
	2020	2019
	\$'000	\$'000
<b>Note 3.5A: Other provisions</b>		
Provision for restoration obligations	4,780	4,065
<b>Total other provisions</b>	<b>4,780</b>	<b>4,065</b>

	Provision for restoration	Total
	\$'000	\$'000
<b>As at 1 July 2019</b>	<b>4,065</b>	<b>4,065</b>
New provision	486	486
Amounts adjusted	(83)	(83)
Unwindings of discount or change in discount rate	312	312
<b>Total as at 30 June 2020</b>	<b>4,780</b>	<b>4,780</b>

The Entity currently has 16 agreements for the leasing of premises which have provisions requiring the Entity to restore the premises to their original condition at the conclusion of the lease. The Entity has made a provision to reflect the present value of this obligation.

#### 4. Assets and Liabilities Administered on Behalf of Government

This section analyses assets used to generate financial performance and the operating liabilities incurred as a result. The Federal Court of Australia does not control but administers these assets on behalf of the Government. Unless otherwise noted, the accounting policies adopted are consistent with those applied for departmental reporting.

##### 4.1 Administered – Financial Assets

	2020	2019
	\$'000	\$'000

<b>Note 4.1A: Cash and cash equivalents</b>		
Cash on hand or on deposit	103	142
<b>Total cash and cash equivalents</b>	<b>103</b>	<b>142</b>

Credit terms for goods and services receivable were in accordance with the Federal Courts Legislation Amendment (Fees) Regulation 2015 and the Family Law (Fees) Regulation 2012.

##### **Note 4.1B: Trade and other receivables**

Goods and services receivables	6,190	7,434
<b>Total goods and services receivables</b>	<b>6,190</b>	<b>7,434</b>
<b>Other receivables</b>		
Statutory receivable (GST)	10	7
<b>Total other receivables</b>	<b>10</b>	<b>7</b>
<b>Total trade and other receivables (gross)</b>	<b>6,200</b>	<b>7,441</b>
<b>Less impairment loss allowance account:</b>		
Goods and services	(5,161)	(5,191)
<b>Total impairment loss allowance</b>	<b>(5,161)</b>	<b>(5,191)</b>
<b>Total trade and other receivables (net)</b>	<b>1,039</b>	<b>2,250</b>

##### Accounting Policy

###### Trade and other receivables

Collectability of debts is reviewed at the end of the reporting period. The impairment loss allowance is calculated based on the Entity's historical rate of debt collection. Credit terms for services were within 30 days (2019: 30 days).

##### 4.2 Administered – Payables

	2020	2019
	\$'000	\$'000

<b>Note 4.2A: Suppliers</b>		
Trade creditors and accruals	31	89
<b>Total supplier payables</b>	<b>31</b>	<b>89</b>

The contract liabilities are associated with family dispute resolution services.

##### **Note 4.2B: Other payables**

Unearned income	543	610
<b>Total other payables</b>	<b>543</b>	<b>610</b>

## 5. Funding

This section identifies the Federal Court of Australia funding structure.

### 5.1 Appropriations

Note 5.1A: Annual Appropriations ('Recoverable GST exclusive')

#### Annual Appropriations for 2020

	Annual Appropriation <sup>1</sup> \$'000	Adjustments to Appropriation <sup>2</sup> \$'000	Total appropriation \$'000	Appropriation applied in 2020 (current and prior years) \$'000	Variance <sup>3</sup> \$'000
<b>Departmental</b>					
Ordinary annual services	274,519	3,434	277,953	259,623	18,330
Capital Budget	23,981	-	23,981	15,926	8,055
<b>Total departmental</b>	<b>298,500</b>	<b>3,434</b>	<b>301,934</b>	<b>275,549</b>	<b>26,385</b>
<b>Administered</b>					
Ordinary annual services Administered items	881	-	881	784	97
<b>Total administered</b>	<b>881</b>	<b>-</b>	<b>881</b>	<b>784</b>	<b>97</b>

1. Departmental Capital Budgets are appropriated through Appropriation Acts (No. 1, 3). They form part of ordinary annual services, and are not separately identified in the Appropriation Acts.

2. Adjustments to appropriation have included receipts collected under Section 74 of the *PGPA Act*.

3. The variance in the expenditure for ordinary annual services is due to timing differences of payments.

## Annual Appropriations for 2019

	Annual Appropriation <sup>1</sup> \$'000	Adjustments to Appropriation \$'000	Total appropriation \$'000	Appropriation applied in 2019 (current and prior years) \$'000	Variance <sup>2</sup> \$'000
<b>Departmental</b>					
Ordinary annual services	264,806	4,706	269,512	262,108	7,404
Capital Budget	12,295	-	12,295	8,769	3,526
<b>Total departmental</b>	<b>277,101</b>	<b>4,706</b>	<b>281,807</b>	<b>270,877</b>	<b>10,930</b>
<b>Administered</b>					
Ordinary annual services Administered items	880	-	880	718	162
<b>Total administered</b>	<b>880</b>	<b>-</b>	<b>880</b>	<b>718</b>	<b>162</b>

1. Departmental Capital Budgets are appropriated through Appropriation Acts (No. 1, 3). They form part of ordinary annual services, and are not separately identified in the Appropriation Acts.
2. The Court has received appropriation related to new Government measures. These measures have not yet been fully implemented. The Court has therefore not spent appropriation related to these measures, causing an underspend of annual appropriation.
3. Receipts collected under Section 74 of the *PGPA Act*.



**Note 5.1B: Unspent Annual Appropriations ('Recoverable GST exclusive')**

	2020	2019
	\$'000	\$'000
<b>Departmental</b>		
Appropriation Act (No. 1) 2017-18 - Capital budget	262	2,654
Appropriation Act (No. 1) 2017-18	461	
Appropriation Act (No. 1) 2018-19	4,372	65,151
Appropriation Act (No. 1) 2018-19 - Capital budget	9,500	12,214
Appropriation Act (No. 3) 2018-19	3,055	7,579
Appropriation Act (No. 1) 2019-20	51,405	-
Appropriation Act (No. 1) 2019-20 - Capital Budget	11,555	-
Appropriation Act (No. 3) 2019-20	2,670	-
Supply Act (No. 1) 2019-20	30,459	-
Supply Act (No. 1) 2019-20 - Capital Budget	1,605	-
Cash at bank	1,239	1,237
<b>Total departmental</b>	<b>116,583</b>	<b>88,834</b>
<b>Administered</b>		
Appropriation Act (No 1) 2018-2019	97	162
<b>Total administered</b>	<b>97</b>	<b>162</b>

**Note 5.1C: Special Appropriations ('Recoverable GST exclusive')**

	Appropriation applied	
	2020	2019
	\$'000	\$'000
<b>Authority</b>		
Public Governance, Performance and Accountability Act 2013, Section 77, Administered	353	923
<b>Total</b>	<b>353</b>	<b>923</b>

## 5.2 Special Accounts

### Note 5.2A: Special Accounts ('Recoverable GST exclusive')

	Departmental		Administered			
	Services for other entities and Trust Moneys Special Account <sup>1</sup>		Federal Court Of Australia Litigants Fund Special Account <sup>2</sup>		Family Court and Federal Circuit Court Litigants Fund Special Account <sup>3</sup>	
	2020	2019	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Balance brought forward from previous period</b>	244	22	38,725	22,225	744	1,074
<b>Increases</b>	127	374	19,102	29,592	3,161	837
<b>Total increases</b>	127	374	19,102	29,592	3,161	837
<b>Available for payments</b>	371	396	57,827	51,817	3,905	1,911
<b>Decreases</b>						
Departmental	363	152	-	-	-	-
<b>Total departmental</b>	363	152	-	-	-	-
<b>Decreases</b>						
Administered	-	-	25,412	13,092	959	1,167
<b>Total administered</b>	-	-	25,412	13,092	959	1,167
<b>Total decreases</b>	363	152	25,412	13,092	959	1,167
<b>Total balance carried to the next period</b>	8	244	32,415	38,725	2,946	744
<b>Balance represented by:</b>						
Cash held in entity bank accounts	8	244	32,415	38,725	2,946	744
Cash held in the Official Public Account	-	-	-	-	-	-
<b>Total balance carried to the next period</b>	8	244	32,415	38,725	2,946	744

1. Appropriation: *Public Governance Performance and Accountability Act* section 78. Establishing Instrument: *FMA Determination 2012/11*. Purpose: To disburse amounts held in trust or otherwise for the benefit of a person other than the Commonwealth.

2. Appropriation: *Public Governance Performance and Accountability Act* section 78. Establishing Instrument: *PGPA Act Determination (Establishment of FCA Litigants' Fund Special Account 2017)*. Purpose: The purpose of the Federal Court of Australia Litigants' Fund Special Account in relation to which amounts may be debited from the Special Account are:

a) In accordance with:

(i) An order of the Federal Court of Australia or a Judge of that Court under Rule 2.43 of the Federal Court Rules; or

(ii) A direction of a Registrar under that Order; and

b) In any other case in accordance with the order of the Federal Court of Australia or a Judge of that Court.

3. Appropriation: *Public Governance Performance and Accountability Act* section 78. Establishing Instrument: *Determination 2013/06*.

The Finance Minister has issued a determination under Subsection 20(1) of the FMA ACT 1997 (repealed) establishing the Federal Court of Australia Litigants' Fund Special Account when the Federal Circuit Court of Australia and Family Court of Australia merged on 1 July 2014.

Purpose: Litigants Fund Special Account

(a) for amounts received in respect of proceedings of the Family Court of Australia or the Federal Circuit Court of Australia (formerly the Federal Magistrates Court of Australia);

(b) for amounts received in respect of proceedings that have been transferred from another court to the Family Court of Australia or to the Federal Circuit Court of Australia (formerly the Federal Magistrates Court of Australia);

(c) for amounts received from the Family Court of Australia Litigants' Fund Special Account or the Federal Magistrates Court Litigants' Fund Special Account;

(d) to make payments in accordance with an order (however described) made by a court under the Family Law Act 1975, the Family Court of Australia, or a Judge of that Court;

(e) to make payments in accordance with an order (however described) made by a court under the Federal Circuit Court of Australia Act 1999 (formerly the Federal Magistrates Act 1999), the Federal Circuit Court of Australia (formerly the Federal Magistrates Court of Australia), or a Judge (formerly Federal Magistrate) of that Court;

(f) to repay amounts received by the Commonwealth and credited to this Special Account where an Act of Parliament or other law requires or permits the amount to be repaid; and

g) to reduce the balance of this Special Account without making a real or notional payment.

<b>5.3 Net Cash Appropriation Arrangements</b>		
	2020	2019
	\$'000	\$'000
<b>Total comprehensive income less depreciation/amortisation expenses previously funded through revenue appropriations</b>	<b>19,434</b>	4,651
Plus: depreciation/amortisation expenses previously funded through revenue appropriation	<b>(10,852)</b>	(13,882)
Plus: depreciation of right-of-use assets	<b>(19,103)</b>	-
Less: principal repayments - leased assets	<b>17,082</b>	-
<b>Total comprehensive income/(loss) - as per the Statement of Comprehensive Income</b>	<b>6,561</b>	(9,231)

## 6. People and Relationships

This section describes a range of employment and post-employment benefits provided to our people and our relationships with other key people.

### 6.1 Employee Provisions

	2020	2019
	\$'000	\$'000
<b>Note 6.1A: Employee Provisions</b>		
Leave	31,280	29,541
Judges leave	35,623	32,849
<b>Total employee provisions</b>	<b>66,903</b>	<b>62,390</b>

#### Accounting Policy

Liabilities for 'short-term employee benefits' (as defined in AASB 119 *Employee Benefits*) and termination benefits expected within twelve months of the end of the reporting period are measured at their nominal amounts.

Other long-term judge and employee benefits are measured as net total of the present value of the defined benefit obligation at the end of the reporting period minus the fair value at the end of the reporting period of plan assets (if any) out of which the obligations are to be settled directly.

#### Leave

The liability for employee benefits includes provision for annual leave and long service leave.

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including the Entity's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The liability for annual leave and long service leave has been determined by reference to the work of an actuary as at 30 June 2020. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

#### Separation and redundancy

Provision is made for separation and redundancy benefit payments. The Entity recognises a provision for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations.

#### Superannuation

The Entity's staff are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS) or the PSS accumulation plan (PSSap), or other superannuation funds held outside the Australian government.

The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap is a defined contribution scheme.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes.

The Entity makes employer contributions to the employees' superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the Government. The Entity accounts for the contributions as if they were contributions to defined contribution plans.

The liability for superannuation recognised as at 30 June represents outstanding contributions.

#### Judges' pension

Under the *Judges' Pension Act 1968*, Federal Court and Family Court Judges are entitled to a non-contributory pension upon retirement after at least 10 years service (Federal Court and Family Court Judges). As the liability for these pension payments is assumed by the Australian Government, the entity has not recognised a liability for unfunded superannuation liability. The Federal Court of Australia does, however, recognise a revenue and corresponding expense item, "Liabilities assumed by other agencies", in respect of the notional amount of the employer contributions to Judges' pensions for the reporting period amounting to \$35.45 million (2019: \$33.394 million). The contribution rate has been provided by the Department of Finance following an actuarial review.

### 6.2 Key Management Personnel Remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity. The entity has determined the key management personnel to be the Chief Justices and the Chief Executive Officers of the Federal Court of Australia, the Family Court of Australia and the Federal Circuit Court of Australia, the President and Registrar of the National Native Title Tribunal, the Executive Director of Corporate Services.

	2020 \$'000	2019 \$'000
Short-term employee benefits	3,131	2,905
Post-employment benefits	1,127	1,300
Other long-term employee benefits	156	165
Termination benefits	-	-
<b>Total key management personnel remuneration expenses<sup>1</sup></b>	<b>4,414</b>	<b>4,370</b>

The total number of key management personnel that are included in the above table are 9 (2019: 8).

1. The above key management personnel remuneration excludes the remuneration and other benefits of the Portfolio Minister. The Portfolio Minister's remuneration and other benefits are set by the Remuneration Tribunal and are not paid by the Entity.

### 6.3 Related Party Disclosures

#### Related party relationships:

The entity is an Australian Government controlled entity within the Attorney-General's portfolio. Related parties to the Entity are Key Management Personnel including the Portfolio Minister and Executive and other Australian Government entities.

#### Transactions with related parties:

Given the breadth of Government activities, related parties may transact with the government sector in the same capacity as ordinary citizens. Such transactions include the payment or refund of taxes, receipt of a Medicare rebate or higher educational loans. These transactions have not been separately disclosed in this note.

Significant transactions with related parties can include:

- the payments of grants or loans;
- purchases of goods and services;
- asset purchases, sales transfers or leases;
- debts forgiven; and
- guarantees.

Giving consideration to relationships with related entities, and transactions entered into during the reporting period by the entity, it has been determined that there are no related party transactions to be separately disclosed.

The Entity has no transactions with related parties to disclose as at 30 June 2020 (2019: none).

## 7. Managing Uncertainties

This section analyses how the Federal Court of Australia manages financial risks within its operating environment.

### 7.1 Contingent Liabilities and Assets

#### **Note 7.1A: Contingent Liabilities and Assets**

##### **Quantifiable contingencies**

The Federal Court of Australia has no quantifiable contingent assets or liabilities as at 30 June 2020 (2019: none).

##### **Unquantifiable contingencies**

The Federal Court of Australia has no unquantifiable contingent assets or liabilities as at 30 June 2020 (2019: none).

##### **Accounting Policy**

Contingent liabilities and contingent assets are not recognised in the statement of financial position but are reported in the notes. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

#### **Note 7.1B: Administered Contingent Assets and Liabilities**

The Entity has no quantifiable or unquantifiable administered contingent liabilities or assets as at 30 June 2020 (2019: none).

**7.2 Financial Instruments**

	2020	2019
	\$'000	\$'000
<b>Note 7.2A: Categories of financial instruments</b>		
<b>Financial assets</b>		
<b>Financial assets at amortised cost</b>		
Cash and cash equivalents	1,239	1,237
Trade and other receivables	83	627
<b>Total financial assets at amortised cost</b>	<b>1,322</b>	<b>1,864</b>
<b>Total financial assets</b>	<b>1,322</b>	<b>1,864</b>
<b>Financial liabilities</b>		
<b>Financial liabilities measured at amortised cost</b>		
Trade creditors	4,681	7,911
Finance leases	-	2,574
<b>Total financial liabilities</b>	<b>4,681</b>	<b>10,485</b>

**Accounting Policy**

With the implementation of AASB 9 Financial Instruments for the first time in 2019, the Entity classifies its financial assets in the following categories:

- a) financial assets at fair value through profit or loss;
- b) financial assets at fair value through other comprehensive income; and
- c) financial assets measured at amortised cost.

The classification depends on both the Entity's business model for managing the financial assets and contractual cash flow characteristics at the time of initial recognition.

Financial assets are recognised when the Entity becomes a party to the contract and, as a consequence, has a legal right to receive or a legal obligation to pay cash and derecognised when the contractual rights to the cash flows from the financial asset expire or are transferred upon trade date.

Comparatives have not been restated on initial application.

**Financial Assets at Amortised Cost**

Financial assets included in this category need to meet two criteria:

1. the financial asset is held in order to collect the contractual cash flows; and
2. the cash flows are solely payments of principal and interest (SPPI) on the principal outstanding amount.

Amortised cost is determined using the effective interest method.

**Financial Assets**

Trade receivables, loans and other receivables that are held for the purpose of collecting the contractual cash flows where the cash flows are solely payments of principal and interest that are not provided at below-market interest rates are subsequently measured at amortised cost using the effective interest method adjusted for any loss allowance.

**Impairment of financial assets**

Financial assets are assessed for impairment at the end of each reporting period based on Expected Credit Losses, using the general approach which measures the loss allowance based on an amount equal to lifetime expected credit losses where risk has significantly increased, or an amount equal to 12-month expected credit losses if risk has not increased.

The simplified approach for trade, contract and lease receivables is used. This approach always measures the loss allowance as the amount equal to the lifetime expected credit losses.

A write-off constitutes a derecognition event where the write-off directly reduces the gross carrying amount of the financial asset.

**Financial Liabilities**

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

Other Financial Liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective interest basis.

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

The fair value of financial instruments approximates its carrying value.

**7.3 Administered – Financial Instruments**

	2020	2019
	\$'000	\$'000
<b>Note 7.3A: Categories of financial instruments</b>		
<b>Financial assets at amortised cost</b>		
Cash and cash equivalents	103	142
Trade and other receivables	1,039	2,250
<b>Total financial assets at amortised cost</b>	<b>1,142</b>	<b>2,392</b>
<b>Total financial assets</b>	<b>1,142</b>	<b>2,392</b>
	2020	2019
	\$'000	\$'000
<b>Note 7.3B: Net gains or losses on financial liabilities</b>		
<b>Financial liabilities measured at amortised cost</b>		
Interest expense	1,883	65
<b>Net gains/(losses) on financial liabilities measured at amortised cost</b>	<b>1,883</b>	<b>65</b>

**7.4 Fair Value Measurement**Accounting Policy

AASB 2015-7 provides relief for not-for-profit public sector entities from making certain specified disclosures about the fair value measurement of assets measured at fair value and categorised within Level 3 of the fair value hierarchy.

Valuations are performed regularly so as to ensure that the carrying amount does not materially differ from fair value at the reporting date. A valuation was made by an external valuer in 2020. The Federal Court of Australia reviews the method used by the valuer annually.

Note 7.4A: Fair Value Measurement

	Fair value measurements at the end of the reporting period	
	2020	2019
	\$'000	\$'000
<b>Non-financial assets</b>		
Leasehold improvements	35,693	33,318
Plant and equipment	20,014	14,781

The Entity's assets are held for operational purposes and not held for the purposes of deriving a profit. The current use of these assets is considered to be the highest and best use.

There have been no transfers between the levels of the hierarchy during the year. The Entity deems transfers between levels of the fair value hierarchy to have occurred when advised by an independent valuer or a change in the market for particular items.



## 8. Other Information

This section provides other disclosures relevant to the Federal Court of Australia financial information environment for the year.

### 8.1 Aggregate Assets and Liabilities

	2020	2019
	\$'000	\$'000
<b>Note 8.1A: Aggregate Assets and Liabilities</b>		
<b>Assets expected to be recovered in:</b>		
No more than 12 months	119,583	93,579
More than 12 months	<u>217,089</u>	<u>59,520</u>
<b>Total assets</b>	<u>336,672</u>	<u>153,099</u>
<b>Liabilities expected to be settled in:</b>		
No more than 12 months	24,452	25,817
More than 12 months	<u>206,664</u>	<u>53,560</u>
<b>Total liabilities</b>	<u>231,116</u>	<u>79,377</u>

<b>Note 8.1B: Administered Aggregate Assets and Liabilities</b>		
<b>Assets expected to be recovered in:</b>		
No more than 12 months	1,142	2,392
More than 12 months	<u>-</u>	<u>-</u>
<b>Total assets</b>	<u>1,142</u>	<u>2,392</u>
<b>Liabilities expected to be settled in:</b>		
No more than 12 months	574	699
More than 12 months	<u>-</u>	<u>-</u>
<b>Total liabilities</b>	<u>574</u>	<u>699</u>