

## **APPENDIX C: AUSTRALIAN ACCOUNTING STANDARDS FINANCIAL STATEMENTS**

This appendix presents financial statements that have been prepared on an accrual basis in accordance with applicable Australian Accounting Standards (AAS), being the Australian Equivalents to International Financial Reporting Standards (AEIFRS) and AAS 31 *Financial Reporting by Governments*, except where departures from the standard are identified in Note 1.

A reconciliation between the Australian Government's general government AAS and Government Finance Statistics (GFS) revenue, expenses and operating results is provided in Appendix E.

**Table C1: Australian Government general government sector income statement**

	Note	Estimates		Projections	
		2005-06 \$m	2006-07 \$m	2007-08 \$m	2008-09 \$m
<b>Revenues</b>					
Taxation					
Income tax	3	169,700	178,120	187,490	197,290
Indirect tax	4	28,152	28,820	29,680	30,500
Fringe benefits tax		3,470	3,540	3,660	3,780
Other taxes		2,244	2,234	2,254	2,333
<b>Total taxation revenue</b>		<b>203,566</b>	<b>212,714</b>	<b>223,084</b>	<b>233,903</b>
Non-taxation					
Sales of goods and services		4,900	4,855	4,976	4,835
Interest and dividends	5	8,620	8,039	8,097	8,466
Other sources of non-tax revenue	6	3,519	3,543	3,589	3,617
<b>Total non-tax revenue</b>		<b>17,039</b>	<b>16,436</b>	<b>16,663</b>	<b>16,918</b>
<b>Total revenue</b>		<b>220,605</b>	<b>229,150</b>	<b>239,746</b>	<b>250,820</b>
<b>Gains</b>					
Net foreign exchange gains		86	0	0	0
Net gains from sale of assets		47	26,625	4	0
Other gains		867	471	346	260
<b>Total Gains</b>		<b>999</b>	<b>27,096</b>	<b>349</b>	<b>260</b>
<b>Income</b>		<b>221,604</b>	<b>256,246</b>	<b>240,096</b>	<b>251,081</b>
<b>Expenses</b>					
Goods and services					
Employees	7	23,114	23,646	24,173	24,992
Suppliers	8	18,868	18,786	19,073	18,452
Depreciation and amortisation	9	4,593	4,873	5,011	5,029
Net write-down and impairment of assets and fair value losses		2,183	2,039	2,163	2,307
Net foreign exchange losses		0	0	0	0
Net losses from sale of assets		0	5,475	0	7
Other goods and services expenses	10	7,682	8,168	8,875	9,647
<b>Total goods and services</b>		<b>56,439</b>	<b>62,987</b>	<b>59,296</b>	<b>60,434</b>
Subsidies benefits and grants					
Personal benefits		94,142	100,266	107,501	115,815
Subsidies		11,302	11,673	12,307	13,247
Grants	11	42,052	43,298	45,015	45,152
<b>Total subsidies benefits and grants</b>		<b>147,496</b>	<b>155,237</b>	<b>164,823</b>	<b>174,214</b>
<b>Borrowing costs</b>					
Interest		5,764	5,369	5,104	4,567
Other borrowing costs		16	14	13	8
<b>Total interest and other borrowing costs</b>		<b>5,780</b>	<b>5,383</b>	<b>5,117</b>	<b>4,575</b>
<b>Total expenses</b>		<b>209,716</b>	<b>223,607</b>	<b>229,237</b>	<b>239,223</b>
<b>Operating result</b>		<b>11,889</b>	<b>32,639</b>	<b>10,859</b>	<b>11,857</b>

**Table C2: Australian Government general government sector balance sheet**

	Note	Estimates		Projections	
		2005-06 \$m	2006-07 \$m	2007-08 \$m	2008-09 \$m
<b>Assets</b>					
Financial assets					
Cash		1,228	1,231	1,203	1,191
Receivables	12	32,510	34,948	38,102	41,441
Investments		60,639	92,346	104,973	115,910
Equity accounted investments		399	399	399	399
Accrued revenue		561	704	726	750
Other financial assets		4	4	4	5
<b>Total financial assets</b>		<b>95,342</b>	<b>129,631</b>	<b>145,407</b>	<b>159,696</b>
Non-financial assets					
Land and buildings	13	19,408	19,634	19,535	19,674
Infrastructure		40,638	42,122	43,195	44,339
Heritage and cultural assets		7,743	7,776	7,803	7,829
Intangibles		1,946	2,013	1,997	1,950
Investment property		811	894	955	1,078
Biological assets		0	0	0	0
Assets held for sale		70	70	70	70
Inventories		4,884	5,376	5,564	5,923
Other non-financial assets		1,897	1,779	1,776	1,572
<b>Total non-financial assets</b>		<b>77,398</b>	<b>79,663</b>	<b>80,894</b>	<b>82,435</b>
<b>Total assets</b>		<b>172,740</b>	<b>209,294</b>	<b>226,301</b>	<b>242,131</b>
<b>Liabilities</b>					
Debt					
Government securities		59,822	59,618	61,439	61,102
Loans		4,236	4,251	4,270	3,970
Leases		221	199	227	238
Deposits		405	405	405	405
Overdrafts		0	0	0	0
Other debt		1,085	1,093	1,095	1,096
<b>Total debt</b>		<b>65,768</b>	<b>65,566</b>	<b>67,436</b>	<b>66,810</b>
Provisions and payables					
Employees	14	102,662	106,287	109,675	113,250
Suppliers		2,574	2,539	2,538	2,528
Personal benefits payable		6,270	6,671	7,123	7,342
Subsidies payable		1,339	1,256	1,215	1,311
Grants payable	15	10,200	10,188	10,529	11,056
Other provisions and payables		11,852	11,989	12,127	12,299
<b>Total provisions and payables</b>		<b>134,898</b>	<b>138,931</b>	<b>143,207</b>	<b>147,785</b>
Liabilities associated with assets held for sale					
<b>Total liabilities</b>		<b>200,666</b>	<b>204,497</b>	<b>210,643</b>	<b>214,596</b>
<b>Net assets</b>		<b>-27,926</b>	<b>4,797</b>	<b>15,658</b>	<b>27,535</b>
<b>Equity</b>					
Accumulated results		-66,110	-31,816	-19,208	-5,718
Reserves		38,184	36,614	34,866	33,253
Capital		0	0	0	0
<b>Total equity</b>		<b>-27,926</b>	<b>4,797</b>	<b>15,658</b>	<b>27,535</b>

**Table C3: Australian Government general government sector statement of changes in equity**

	Accumulated results		Asset revaluation reserve		Other reserves		Contributed equity/capital		Total equity	
	2005-06 \$m	2006-07 \$m	2005-06 \$m	2006-07 \$m	2005-06 \$m	2006-07 \$m	2005-06 \$m	2006-07 \$m	2005-06 \$m	2006-07 \$m
<b>Opening balance</b>										
Balance carried forward from previous period	-74,934	-66,110	16,939	16,689	21,505	21,495	0	0	-36,490	-27,926
Adjustment for errors / entity adjustments	235	0	-205	0	-9	0	0	0	21	0
Adjustment for changes in accounting policy	-3,204	0	na	na	na	na	na	na	-3,204	0
<b>Adjusted opening balance</b>	<b>-77,904</b>	<b>-66,110</b>	<b>16,734</b>	<b>16,689</b>	<b>21,496</b>	<b>21,495</b>	<b>0</b>	<b>0</b>	<b>-39,673</b>	<b>-27,926</b>
<b>Income and expense</b>										
Revenues and expenses recognised directly in equity										
Currency translation gain (loss)	na	na	na	na	0	0	na	na	0	0
Financial asset revaluations	na	na	-15	5	na	na	na	na	-15	5
Non-financial asset revaluations	na	na	-29	74	na	na	na	na	-29	74
Total revenues and expenses recognised directly in equity	0	0	-44	79	0	0	0	0	-44	79
Net operating result	<b>11,889</b>	<b>32,639</b>	na	na	na	na	na	na	<b>11,889</b>	<b>32,639</b>
<b>Total income and expenses</b>										
Transfers between reserves	1	1,649	-1	1	0	-1,651	na	na	0	0
Dividends	0	0	0	0	0	0	na	na	0	0
Other movements	-97	5	0	0	0	0	0	0	-97	5
<b>Closing balance</b>	<b>-66,110</b>	<b>-31,816</b>	<b>16,689</b>	<b>16,769</b>	<b>21,495</b>	<b>19,844</b>	<b>0</b>	<b>0</b>	<b>-27,926</b>	<b>4,797</b>

**Table C3: Australian Government general government sector statement of changes in equity (continued)**

	Accumulated results		Asset revaluation reserve		Other reserves		Contributed equity/capital		Total equity	
	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>Opening balance</b>										
Balance carried forward from previous period	-31,816	-19,208	16,769	16,672	19,844	18,194	0	0	4,797	15,658
Adjustment for errors / entity adjustments	0	-6	0	0	0	0	0	0	0	-6
Adjustment for changes in accounting policy	0	0	na	na	na	na	na	na	0	0
<b>Adjusted opening balance</b>	<b>-31,816</b>	<b>-19,215</b>	<b>16,769</b>	<b>16,672</b>	<b>19,844</b>	<b>18,194</b>	<b>0</b>	<b>0</b>	<b>4,797</b>	<b>15,651</b>
<b>Income and expense</b>										
Revenues and expenses recognised directly in equity										
Currency translation gain (loss)	na	na	na	na	0	0	na	na	0	0
Financial asset revaluations	na	na	5	0	na	na	na	na	5	0
Non-financial asset revaluations	na	na	-2	38	na	na	na	na	-2	38
Total revenues and expenses recognised directly in equity	0	0	3	38	0	0	0	0	3	38
Net operating result	<b>10,859</b>	<b>11,857</b>	<b>na</b>	<b>na</b>	<b>na</b>	<b>na</b>	<b>na</b>	<b>na</b>	<b>10,859</b>	<b>11,857</b>
<b>Total income and expenses</b>										
Transfers between reserves	1,751	1,650	-100	1	-1,651	-1,651	na	na	0	0
Dividends	0	0	0	0	0	0	na	na	0	0
Other movements	-1	-11	0	0	0	0	0	0	-1	-11
<b>Closing balance</b>	<b>-19,208</b>	<b>-5,718</b>	<b>16,672</b>	<b>16,711</b>	<b>18,194</b>	<b>16,542</b>	<b>0</b>	<b>0</b>	<b>15,658</b>	<b>27,535</b>

**Table C4: Australian Government general government sector cash flow statement**

	Note	Estimates		Projections	
		2005-06 \$m	2006-07 \$m	2007-08 \$m	2008-09 \$m
<b>Operating activities</b>					
Cash received					
Taxes	16	200,457	209,293	219,639	230,296
Sales of goods and services		5,144	5,032	5,153	5,019
Interest		4,201	5,261	6,375	6,634
Dividends		4,318	2,763	1,595	1,668
GST input credit receipts		2,955	3,022	3,098	3,105
Other		3,164	3,217	3,266	3,297
<b>Total operating cash received</b>		<b>220,239</b>	<b>228,588</b>	<b>239,125</b>	<b>250,019</b>
Cash used					
Payments to employees		19,994	19,981	20,746	21,371
Payments to suppliers		22,018	22,375	22,443	22,020
Subsidies paid		10,693	11,025	11,630	12,443
Personal benefits		93,462	99,518	106,816	115,541
Grant payments		41,734	43,274	44,652	44,612
Interest and other financing costs		6,563	5,390	5,209	4,755
GST payments to taxation authority		122	115	115	116
Other		7,857	8,180	8,841	9,608
<b>Total operating cash used</b>		<b>202,442</b>	<b>209,859</b>	<b>220,452</b>	<b>230,467</b>
<b>Net cash from operating activities</b>		<b>17,797</b>	<b>18,729</b>	<b>18,673</b>	<b>19,552</b>
<b>Investing activities</b>					
Cash received					
Proceeds from asset sales program		0	26,623	0	0
Proceeds from sales of property, plant and equipment and intangibles		301	172	180	168
Other net investing cash received		500	500	505	507
<b>Total investing cash received</b>		<b>801</b>	<b>27,295</b>	<b>686</b>	<b>675</b>
Cash used					
Purchase of property, plant and equipment and intangibles		6,404	6,679	6,360	6,329
Net loans, advances and HELP		1,266	1,811	2,142	2,193
Other net investing cash paid		10,215	37,669	13,122	11,437
<b>Total investing cash used</b>		<b>17,885</b>	<b>46,159</b>	<b>21,624</b>	<b>19,959</b>
<b>Net cash from investing activities</b>		<b>-17,084</b>	<b>-18,865</b>	<b>-20,938</b>	<b>-19,284</b>
<b>Financing activities</b>					
Cash received					
Net cash received from currency issues		0	0	0	0
Other		290	89	101	66
<b>Total financing cash received</b>		<b>290</b>	<b>89</b>	<b>101</b>	<b>66</b>
Cash used					
Net repayments of borrowings		1,574	-155	-2,136	345
Other		1	105	0	0
<b>Total financing cash used</b>		<b>1,575</b>	<b>-50</b>	<b>-2,136</b>	<b>345</b>
<b>Net cash from financing activities</b>		<b>-1,284</b>	<b>139</b>	<b>2,237</b>	<b>-280</b>
<b>Net increase/decrease in cash held</b>	2	<b>-572</b>	<b>3</b>	<b>-28</b>	<b>-11</b>

## NOTES TO THE AAS FINANCIAL STATEMENTS

### Note 1: External reporting standards and accounting policies

The *Charter of Budget Honesty Act 1998* requires that the Mid-Year Economic and Fiscal Outlook be based on external reporting standards and that departures from applicable external reporting standards be identified.

The financial statements included in this Appendix have been prepared on an accrual basis in accordance with applicable Australian Accounting Standards (AAS), being the Australian Equivalents to International Financial Reporting Standards (AEIFRS) and AAS 31 *Financial Reporting by Governments* (AAS 31).

AAS requires governments to prepare accrual based general purpose financial reports. This means that assets, liabilities, income and expenses are recorded in financial statements when transactions have an economic impact on the government, rather than when the cash flow associated with these transactions occurs. Consistent with AAS, an income statement, a balance sheet, a statement of changes in equity, and a cash flow statement have been prepared for the budget year and the three forward years.

The accounting policies in this Appendix are generally consistent with the accounting policies in AAS. While the scope for financial reporting recommended in AAS 31 is the whole of government (that is, the Australian Government public sector), in accordance with the *Charter of Budget Honesty Act 1998*, the presentation covers the general government sector only. This Appendix includes notes showing disaggregated information.

AAS would suggest the gross amount of goods and services tax (GST) be included in the Australian Government's financial statements. However, under the *Intergovernmental Agreement on the Reform of Commonwealth-State Financial Relations*, GST is collected by the Australian Taxation Office as an agent for the states and territories (the States), and appropriated to the States. Therefore, accrued GST revenues and associated payments to the States are not recorded in the financial statements.

The new standard under AEIFRS to be applied for superannuation is AASB 119 *Employee Benefits*. The expected impacts of applying this standard to the Australian Government's superannuation liability cannot be reliably determined at this point in time due to differences in interpretation in respect to the methodology used to calculate the discount rate.

Appendix C: Australian Accounting Standards Financial Statements

**Note 2: Reconciliation of cash**

	Estimates		Projections	
	2005-06 \$m	2006-07 \$m	2007-08 \$m	2008-09 \$m
<b>Operating result (revenues less expenses)</b>	<b>11,889</b>	<b>32,639</b>	<b>10,859</b>	<b>11,857</b>
less <b>Revenues not providing cash</b>				
Foreign exchange gains	86	0	0	0
Gains from asset sales programme	0	21,148	0	0
Gains from sale of assets	47	2	4	0
Other	1,254	844	769	729
<b>Total revenues not providing cash</b>	<b>1,386</b>	<b>21,994</b>	<b>772</b>	<b>729</b>
plus <b>Expenses not requiring cash</b>				
Increase/(decrease) in employee entitlements	3,080	3,625	3,387	3,576
Depreciation/amortisation expense	4,593	4,873	5,011	5,029
Provision for bad and doubtful debts	380	432	470	506
Provision for diminution in value of assets	298	104	69	57
Losses from asset sales programme	0	0	0	0
Losses from sale of assets	0	0	0	6
Foreign exchange losses	0	0	0	0
Other	-79	21	-3	-20
<b>Total expenses not requiring cash</b>	<b>8,272</b>	<b>9,055</b>	<b>8,935</b>	<b>9,154</b>
plus <b>Cash provided by working capital items</b>				
Decrease in inventories	0	0	0	0
Decrease in receivables	0	0	0	0
Decrease in other financial assets	118	0	39	35
Decrease in other non-financial assets	0	0	123	0
Increase in benefits subsidies and grants payable	729	479	849	916
Increase in suppliers' liabilities	234	0	0	0
Increase in other provisions and payables	0	40	0	0
<b>Total cash provided by working capital items</b>	<b>1,080</b>	<b>519</b>	<b>1,010</b>	<b>951</b>
less <b>Cash used by working capital items</b>				
Increase in inventories	402	492	189	359
Increase in receivables	911	740	1,119	1,226
Increase in other financial assets	0	139	0	0
Increase in other non-financial assets	23	1	0	3
Decrease in benefits subsidies and grants payable	124	83	41	0
Decrease in other provisions and payables	598	0	9	83
Decrease in suppliers' liabilities	0	35	1	11
<b>Total cash used by working capital items</b>	<b>2,058</b>	<b>1,490</b>	<b>1,359</b>	<b>1,681</b>
equals <i>Net cash from/(to) operating activities</i>	17,797	18,729	18,673	19,552
<i>Net cash from/(to) investing activities</i>	-17,084	-18,865	-20,938	-19,284
<b>Net cash from operating activities and investment</b>	<b>713</b>	<b>-136</b>	<b>-2,265</b>	<b>268</b>
<i>Net cash from/(to) financing activities</i>	-1,284	139	2,237	-280
<b>equals Net (increase)/decrease in cash</b>	<b>-572</b>	<b>3</b>	<b>-28</b>	<b>-11</b>

**Note 2(a): Consolidated Revenue Fund**

The estimated and projected cash balances reflected in the statement of financial position for the Australian Government general government sector (Table C2) include the reported cash balances controlled and administered by Australian Government agencies subject to the *Financial Management and Accountability Act 1997* and the reported cash balances controlled and administered by entities, subject to the *Commonwealth Authorities and Companies Act 1997* (CAC Act), that implement public policy through the provision of primarily non-market services.

Revenues or moneys raised by the Executive Government automatically form part of the Consolidated Revenue Fund by force of section 81 of the Australian Constitution. For practical purposes, total Australian Government general government sector cash, less cash controlled and administered by CAC Act entities, plus special public monies represents the Consolidated Revenue Fund referred to in section 81 of the Australian Constitution. On this basis, the balance of the Consolidated Revenue Fund is shown below.

	Estimates		Projections	
	2005-06 \$m	2006-07 \$m	2007-08 \$m	2008-09 \$m
<b>Total General Government Sector Cash (Appendix C)</b>	<b>1,228</b>	<b>1,231</b>	<b>1,203</b>	<b>1,191</b>
<i>less</i> CAC Agency cash balances	973	846	872	846
<i>plus</i> Special public monies	80	81	83	86
<b>Balance of Consolidated Revenue Fund at 30 June</b>	<b>335</b>	<b>465</b>	<b>414</b>	<b>431</b>

Appendix C: Australian Accounting Standards Financial Statements

**Note 3: Income taxation revenue**

	Estimates		Projections	
	2005-06 \$m	2006-07 \$m	2007-08 \$m	2008-09 \$m
Individuals and other withholding tax				
Gross income tax withholding	102,030	107,720	115,750	124,090
Gross other individuals	25,110	25,850	27,260	29,220
less Refunds	15,000	15,960	16,870	18,180
Total individuals and other withholding tax	112,140	117,610	126,140	135,130
Companies	48,740	52,210	52,770	53,390
Superannuation funds				
Contributions and earnings	5,280	5,620	6,080	6,570
Surcharge	1,410	410	110	40
Total superannuation funds	6,690	6,030	6,190	6,610
Petroleum resource rent tax	2,130	2,270	2,390	2,160
<b>Total income taxation revenue</b>	<b>169,700</b>	<b>178,120</b>	<b>187,490</b>	<b>197,290</b>

**Note 4: Indirect taxation revenue**

	Estimates		Projections	
	2005-06 \$m	2006-07 \$m	2007-08 \$m	2008-09 \$m
Excise duty				
Petroleum products	13,640	13,930	14,290	14,610
Crude oil	480	440	440	440
Other excise	7,780	7,950	8,070	8,180
Total excise duty revenue	21,900	22,320	22,800	23,230
Customs duty revenue	5,062	5,160	5,430	5,710
Other indirect taxation revenue	1,190	1,340	1,450	1,560
GST	37,920	40,240	42,410	44,630
less transfers to States and Territories in relation to GST revenue	37,920	40,240	42,410	44,630
GST revenue	0	0	0	0
Mirror taxes	366	384	402	422
less transfers to States and Territories in relation to mirror tax revenue	366	384	402	422
Mirror tax revenue	0	0	0	0
<b>Indirect taxation revenue</b>	<b>28,152</b>	<b>28,820</b>	<b>29,680</b>	<b>30,500</b>

**Note 5: Interest and dividend revenue**

	Estimates		Projections	
	2005-06 \$m	2006-07 \$m	2007-08 \$m	2008-09 \$m
<b>Interest</b>				
Interest from other governments				
State and Territory debt	17	15	14	13
Housing agreements	170	166	162	158
<b>Total interest from other governments</b>	<b>187</b>	<b>181</b>	<b>176</b>	<b>170</b>
Interest from other sources				
Swap interest	1,983	1,717	1,445	1,085
Advances	3	3	3	3
Deposits	0	0	0	0
Bills receivable	6	6	6	5
Bank deposits	296	333	338	354
Indexation of HELP receivable and other student loans	410	404	445	499
Other	1,418	2,932	4,111	4,680
<b>Total interest from other sources</b>	<b>4,115</b>	<b>5,394</b>	<b>6,347</b>	<b>6,627</b>
<b>Total interest</b>	<b>4,302</b>	<b>5,575</b>	<b>6,522</b>	<b>6,797</b>
<b>Dividends</b>				
Dividends from associated entities	4,304	2,428	1,560	1,654
Other dividends	14	36	15	15
<b>Total dividends</b>	<b>4,318</b>	<b>2,464</b>	<b>1,575</b>	<b>1,668</b>
<b>Total interest and dividend revenue</b>	<b>8,620</b>	<b>8,039</b>	<b>8,097</b>	<b>8,466</b>

Appendix C: Australian Accounting Standards Financial Statements

**Note 6: Other sources of non-taxation revenue**

	Estimates		Projections	
	2005-06 \$m	2006-07 \$m	2007-08 \$m	2008-09 \$m
Industry contributions	275	252	235	209
International Monetary Fund related revenue	28	28	28	28
Royalties	1,019	1,141	1,173	1,188
Seigniorage	112	102	109	109
Other	2,085	2,020	2,046	2,084
<b>Total other sources of non-taxation revenue</b>	<b>3,519</b>	<b>3,543</b>	<b>3,589</b>	<b>3,617</b>

**Note 7: Employee expenses**

	Estimates		Projections	
	2005-06 \$m	2006-07 \$m	2007-08 \$m	2008-09 \$m
Salaries and wages(a)	12,755	12,949	13,303	13,567
Leave and other entitlements	1,260	1,269	1,331	1,327
Separations and redundancies	39	37	37	38
Workers compensation premiums	0	0	0	0
Other (including superannuation)	9,060	9,390	9,501	10,060
<b>Total employee expenses</b>	<b>23,114</b>	<b>23,646</b>	<b>24,173</b>	<b>24,992</b>

(a) Salaries and wages do not include superannuation.

**Note 8: Suppliers expenses**

	Estimates		Projections	
	2005-06 \$m	2006-07 \$m	2007-08 \$m	2008-09 \$m
Supply of goods and services	16,728	16,549	16,783	16,343
Operating lease rental expenses	1,644	1,655	1,692	1,679
Other	495	582	598	430
<b>Total suppliers expenses</b>	<b>18,868</b>	<b>18,786</b>	<b>19,073</b>	<b>18,452</b>

**Note 9: Depreciation and amortisation expenses**

	Estimates		Projections	
	2005-06 \$m	2006-07 \$m	2007-08 \$m	2008-09 \$m
<b>Depreciation</b>				
Specialist military equipment	2,513	2,686	2,738	2,740
Buildings	569	568	582	595
Other infrastructure, plant and equipment	1,112	1,174	1,212	1,241
Heritage and cultural assets	43	43	45	46
Investment property	0	0	0	0
<b>Total depreciation</b>	<b>4,238</b>	<b>4,472</b>	<b>4,577</b>	<b>4,622</b>
<b>Total amortisation</b>	<b>355</b>	<b>402</b>	<b>434</b>	<b>407</b>
<b>Total depreciation and amortisation expenses</b>	<b>4,593</b>	<b>4,873</b>	<b>5,011</b>	<b>5,029</b>

Appendix C: Australian Accounting Standards Financial Statements

**Note 10: Other goods and services expenses**

	Estimates		Projections	
	2005-06 \$m	2006-07 \$m	2007-08 \$m	2008-09 \$m
Health care payments	4,710	4,666	4,946	5,197
Development cooperation program	1,353	1,603	1,849	2,097
Other	1,619	1,899	2,080	2,353
<b>Total other goods and services expenses</b>	<b>7,682</b>	<b>8,168</b>	<b>8,875</b>	<b>9,647</b>

**Note 11: Grants expenses**

	Estimates		Projections	
	2005-06 \$m	2006-07 \$m	2007-08 \$m	2008-09 \$m
State and Territory governments	27,540	27,631	28,688	29,129
Non-profit organisations	1,296	1,348	1,384	1,401
Overseas	520	436	850	827
Private sector	1,983	1,550	1,342	1,215
Local governments	410	433	396	393
Other	10,303	11,902	12,355	12,187
<b>Total grants expenses</b>	<b>42,052</b>	<b>43,298</b>	<b>45,015</b>	<b>45,152</b>

**Note 12: Receivables**

	Estimates		Projections	
	2005-06 \$m	2006-07 \$m	2007-08 \$m	2008-09 \$m
Taxes Receivable	11,214	12,697	14,124	15,625
Advances and Loans	13,337	14,278	15,347	16,246
Other Receivables	7,959	7,973	8,631	9,570
<b>Total receivables</b>	<b>32,510</b>	<b>34,948</b>	<b>38,102</b>	<b>41,441</b>

Appendix C: Australian Accounting Standards Financial Statements

**Note 13: Total non-financial assets**

	Estimates		Projections	
	2005-06 \$m	2006-07 \$m	2007-08 \$m	2008-09 \$m
Land and buildings				
Land	5,969	5,952	5,912	5,856
Buildings	13,439	13,682	13,623	13,818
<b>Total land and buildings</b>	<b>19,408</b>	<b>19,634</b>	<b>19,535</b>	<b>19,674</b>
Infrastructure				
Specialist military equipment	31,599	32,908	34,152	35,510
Other	9,039	9,214	9,043	8,830
<b>Total infrastructure</b>	<b>40,638</b>	<b>42,122</b>	<b>43,195</b>	<b>44,339</b>
Intangibles				
Computer software	1,793	1,871	1,873	1,843
Other	154	142	124	106
<b>Total intangibles</b>	<b>1,946</b>	<b>2,013</b>	<b>1,997</b>	<b>1,950</b>
Heritage and cultural assets	7,743	7,776	7,803	7,829
<b>Total heritage and cultural assets</b>	<b>7,743</b>	<b>7,776</b>	<b>7,803</b>	<b>7,829</b>
Investment properties	811	894	955	1,078
<b>Total investment properties</b>	<b>811</b>	<b>894</b>	<b>955</b>	<b>1,078</b>
Biological assets	0	0	0	0
<b>Total biological assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Assets held for sale	70	70	70	70
<b>Total assets held for sale</b>	<b>70</b>	<b>70</b>	<b>70</b>	<b>70</b>
Inventories	4,884	5,376	5,564	5,923
<b>Total inventories</b>	<b>4,884</b>	<b>5,376</b>	<b>5,564</b>	<b>5,923</b>
Other non-financial assets				
Prepayments	1,414	1,416	1,293	1,296
Other	483	364	483	275
<b>Total other non-financial assets</b>	<b>1,897</b>	<b>1,779</b>	<b>1,776</b>	<b>1,572</b>
<b>Total non-financial assets</b>	<b>77,398</b>	<b>79,663</b>	<b>80,894</b>	<b>82,435</b>

**Note 14: Employee and superannuation liabilities**

	Estimates		Projections	
	2005-06 \$m	2006-07 \$m	2007-08 \$m	2008-09 \$m
Superannuation	94,229	97,664	100,880	104,202
Leave and other entitlements	4,156	4,159	4,135	4,201
Accrued salaries and wages	163	192	223	241
Workers compensation claims	1,606	1,624	1,642	1,660
Separations and redundancies	33	33	33	33
Workers compensation premiums	1,584	1,691	1,796	1,912
Other	892	925	965	1,001
<b>Total employee and superannuation liabilities</b>	<b>102,662</b>	<b>106,287</b>	<b>109,675</b>	<b>113,250</b>

Appendix C: Australian Accounting Standards Financial Statements

**Note 15: Grants payable**

	Estimates		Projections	
	2005-06 \$m	2006-07 \$m	2007-08 \$m	2008-09 \$m
State and Territory governments	4,232	4,508	4,783	5,043
Non-profit organisations	78	78	78	78
Private sector	605	409	201	201
Overseas	1,183	948	1,118	1,306
Local governments	1	1	1	1
Other	4,101	4,244	4,348	4,427
<b>Total grants payable</b>	<b>10,200</b>	<b>10,188</b>	<b>10,529</b>	<b>11,056</b>

**Note 16: Taxation receipts**

	Estimates		Projections	
	2005-06 \$m	2006-07 \$m	2007-08 \$m	2008-09 \$m
Total tax receipts	237,822	248,877	261,361	274,198
less payments to States and Territories in relation to GST revenue	37,000	39,200	41,320	43,480
less payments to States and Territories in relation to mirror tax revenue	366	384	402	422
<b>Taxation receipts</b>	<b>200,457</b>	<b>209,293</b>	<b>219,639</b>	<b>230,296</b>