

of unspent funds and seeking their endorsement for NRS to continue to hold these funds on behalf of the relevant industry.

2.21 Special account balances

NRS operations are recorded in the National Residue Survey Special Account.

Special accounts represent public money, which has been set aside for future purposes, under an enactment, or as determined by the Finance Minister.

- Accounting treatments and disclosures for the NRS special account have been included in the Department's assets, liabilities, revenues and expenses.

2.22 Reporting by outcomes

NRS activities are incorporated in the outcomes statement reported by the Department at Note 38 of the Department's financial statements. The net cost to budget outcomes shown includes intra-government costs that are eliminated in calculating the actual budget outcome for the Government overall.

2.23 Taxation / competitive neutrality

I. Taxation

NRS is exempt from all forms of taxation except fringe benefits tax (FBT) and goods and services tax (GST). Revenues, expenses and assets are recognised net of GST:

- except where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- except for receivables and payables.

II. Competitive neutrality

NRS provides cost recovered services to industry which include a component for competitive neutrality. As a business operation of an Australian Government Department, NRS is not subject to taxation other than the GST and FBT. However, competitive neutrality arrangements require NRS to make payments for services rendered by the Australian National Audit Office to the Commonwealth.

2.24 Foreign currency

Transactions denominated in a foreign currency are converted at the exchange rate at the date of the transaction. Foreign currency receivables and payables are translated at the exchange rates current as at balance date. Associated currency gains and losses are not material.

2.25 Insurance

NRS has insured for risks through the Government's insurable risk managed fund, Comcover. Workers' compensation is insured through the Government's Comcare Australia.

2.26 Economic dependency

NRS operates on a full cost recovery basis in respect of its industry clients. However, as an Australian Government agency it has community service obligations and is dependent on annual appropriation to meet these obligations.

2.27 Dividends

The memorandum of understanding between the NRS and the Department of Finance and Administration specifies that NRS is not required to pay a dividend.

2.28 Comparative figures

Comparative figures have been adjusted to conform to changes in presentation of these financial statements as required for adoption of AASB Equivalents to International Financial Reporting Standards from 2005-06.

2.29 Rounding

Amounts have been rounded to the nearest \$1,000 except in relation to:

- Note 20 Act of Grace Payments, Waivers and Defective Administration Scheme;
- Note 21 Executive Remuneration; and
- Note 22 Remuneration of Auditors.

NATIONAL RESIDUE SURVEY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2006

	2004-05 \$'000	2003-04 \$'000
Note 3 The impact of the transition of AEIFRS from previous AGAAP		
Reconciliation of total equity as presented under previous AGAAP to that under AEIFRS		
Total equity under previous AGAAP	452	329
Adjustments to retained earnings:		
Borrowing costs ¹	-	-
Intangibles ²	-	-
Make-good assets - Gross book value ³	-	-
Make-good assets - Accumulated Amortisation ³	-	-
Provision for make-good ³	-	-
Total equity translated to AEIFRS	<u>452</u>	<u>329</u>
Reconciliation of profit or (loss) as presented under previous AGAAP to AEIFRS		
Prior year profit as previously reported	122	
Adjustments:		
Depreciation and amortisation ⁴	-	
Finance expense ⁵	-	
Make-good Expense ⁶	-	
Prior year profit translated to AEIFRS	<u>122</u>	

The cash flow statement presented under the previous AGAAP is equivalent to that prepared under AEIFRS.

Notes

¹ Borrowing costs relating to qualifying assets were not capitalised under AGAAP. No adjustment is required to comply with the policy prescribed in the FMOs.

² The National Residue Survey has reported intangible assets at cost. No adjustment to carrying amounts of intangible assets is required to comply with AEIFRS.

³ AEIFRS requires the recording of assets reflecting future estimated restoration costs. Amounts for 'make-good' provisions in existing accommodation leases (operating) and where owned property requires restoration have been taken up accordingly.

⁴ The operating result has been adjusted to reflect the financial effect of amortisation of the 'make-good' assets recognised under AEIFRS.

⁵ The operating result has been adjusted to reflect the financial effect of 'unwinding' the discount of the 'make-good' liability.

⁶ The operating result has been adjusted to reflect the financial effect of the change in discount rate from 2003-04 to 2004-05.

NATIONAL RESIDUE SURVEY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2006

	2005-06 \$'000	2004-05 \$'000
Income		
NOTE 4 Revenues		
<u>Note 4A - Revenues from Government</u>		
Appropriations for outputs:		
- Departmental outputs	1 569	719
Total appropriations for outputs	<u>1 569</u>	<u>719</u>
Total revenues from Government	<u><u>1 569</u></u>	<u><u>719</u></u>
 <u>Note 4B - Goods and Services</u>		
Services	243	247
Taxes, levies, fees and charges	6 002	7 635
Total sales of goods and services	<u>6 245</u>	<u>7 882</u>
 Rendering of services to:		
Related entities	-	-
External entities	243	247
Total rendering of services	<u>243</u>	<u>247</u>
 <u>Note 4C - Interest</u>		
Interest on deposits	<u>690</u>	<u>722</u>
 <u>Note 4D - Other Revenues</u>		
Other	289	308
Total other revenues	<u>289</u>	<u>308</u>
 <u>Note 4E - Industry equalisation account adjustments</u>		
Transfers from Industry Equalisation Accounts	<u>77</u>	<u>-</u>
 NOTE 5 Gains		
<u>Note 5A - Other Gains</u>		
Resources received free of charge	281	277
Total other gains	<u>281</u>	<u>277</u>

NATIONAL RESIDUE SURVEY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2006

	2005-06 \$'000	2004-05 \$'000
Expenses		
NOTE 6 Expenses		
<u>Note 6A - Employee Expenses</u>		
Wages and salaries	1 115	1 154
Superannuation	221	235
Leave and other entitlements	182	148
Other employee expenses	32	12
Total employee expenses	1 550	1 549
<u>Note 6B - Supplier Expenses</u>		
Provision of goods - related entities	2 342	1 566
Provision of goods - external entities	4 705	6 283
Rendering of services - related entities	44	42
Rendering of services - external entities	321	163
Workers' compensation premium and claims	12	12
Operating lease rentals *	86	55
Total supplier expenses	7 510	8 121
* These comprise minimum lease payments only.		
<u>Note 6C - Depreciation and Amortisation</u>		
The aggregate amounts of depreciation and amortisation expensed during the year for each class of depreciable asset are as follows:		
Depreciation		
Infrastructure, plant and equipment	24	14
Total depreciation	24	14
Amortisation		
Intangibles:		
Computer software - purchased	1	1
Computer software - internally developed	34	34
Total amortisation	35	35
Total depreciation and amortisation	59	49
<u>Note 6D - Finance Expenses</u>		
Leases	3	2
Total finance expenses	3	2
<u>Note 6E - Net Loss from Sale of Assets</u>		
Infrastructure, plant and equipment:		
Proceeds from disposal of infrastructure, plant and equipment	-	-
Net book value of infrastructure, plant and equipment disposed	-	65
Selling expenses	-	-
Net loss on disposal of infrastructure, plant and equipment	-	65
Total proceeds from disposal	-	-
Total net book value of assets disposed	-	65
Selling expenses	-	-
Total net loss from sale of assets	-	65

NATIONAL RESIDUE SURVEY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2006

	2005-06 \$'000	2004-05 \$'000
--	-------------------	-------------------

NOTE 7 Cash

Cash at bank	472	-
Total cash	472	-

NOTE 8 Receivables

Goods and services	2	81
Other debtors	-	207
Less : Allowance for doubtful debts	-	-
	2	288
Goods and services tax receivable from the ATO	70	70
Total receivables (net)	72	358

Receivables is represented by:

Current	72	358
Non-current	-	-
Total receivables (net)	72	358

Receivables (gross) are aged as follows:

Not overdue	70	358
Overdue by less than 30 days	1	-
Overdue by 30 to 60 days	-	-
Overdue by 61 to 90 days	-	-
Overdue by more than 90 days	1	-
Non-current receivable	-	-
Total receivables (gross)	72	358

NOTE 9 Investments under section 39 FMA Act

	Market value at 30 June 2006 \$'000	At cost 2005-06 \$'000	At cost 2004-05 \$'000
Negotiable certificates of deposit	12 148	11 900	12 300
Total investments under section 39 FMA Act	12 148	11 900	12 300

All negotiable certificates of deposit are current assets.

NOTE 10 Accrued Revenue

Accrued interest	248	277
Goods and services	364	282
Total accrued revenues	612	559

All accrued revenues are current assets.

NATIONAL RESIDUE SURVEY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2006

	2005-06 \$'000	2004-05 \$'000
NOTE 11 Infrastructure, Plant and Equipment		
Infrastructure, plant and equipment - fair value	15	16
	<u>15</u>	<u>16</u>
Infrastructure, plant and equipment - under finance lease - fair value	29	46
	<u>29</u>	<u>46</u>
Total infrastructure, plant and equipment	<u>44</u>	<u>62</u>
Asset valuations are in accordance with the revaluation policy stated at Note 2.16.		
NOTE 12 Inventories		
Inventories held for distribution	72	68
Total inventories	<u>72</u>	<u>68</u>
All departmental inventories are current assets.		
NOTE 13 Intangibles		
Computer software, purchased - at cost	42	42
less accumulated amortisation	(42)	(41)
	-	1
Computer software, internally developed - at cost	519	519
less accumulated amortisation	(486)	(452)
	<u>33</u>	<u>67</u>
Total intangibles	<u>33</u>	<u>68</u>
NOTE 14 Other Non-Financial Assets		
Prepayments	-	1
Total other non-financial assets	<u>-</u>	<u>1</u>
All other non-financial assets are current assets.		

NATIONAL RESIDUE SURVEY
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2006

NOTE 15 Analysis of Property, Plant and Equipment and Intangibles

Table A - Reconciliation of the opening and closing balances of property, plant and equipment and intangibles

	Land \$'000	Buildings - on freehold land \$'000	Buildings - leasehold improvements \$'000	Total Buildings \$'000	Total land and buildings \$'000	Infrastructure plant and equipment \$'000	Computer Software \$'000	Total \$'000
As at 1 July 2005								
Gross book value	-	-	-	-	-	62	562	624
Accumulated Depreciation	-	-	-	-	-	-	(494)	(494)
Opening net book value	-	-	-	-	-	62	68	130
Additions:								
- by purchase	-	-	-	-	-	2	-	2
- by finance lease	-	-	-	-	-	4	-	4
- Internally developed	-	-	-	-	-	-	-	-
- Make-good	-	-	-	-	-	-	-	-
- from acquisitions of operations (including restructuring)	-	-	-	-	-	-	-	-
Net revaluation increments/(decrements)	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-
Depreciation/amortisation	-	-	-	-	-	(24)	(35)	(59)
Recoverable amount write-downs	-	-	-	-	-	-	-	-
Other movements	-	-	-	-	-	-	-	-
Disposals (written off) - Gross book value	-	-	-	-	-	-	-	-
Disposals (written off) - Accumulated Depreciation	-	-	-	-	-	-	-	-
Disposals (by sale) - Gross book value	-	-	-	-	-	-	-	-
Disposals (by sale) - Accumulated Depreciation	-	-	-	-	-	-	-	-
Gross book value as at 30 June 2006	-	-	-	-	-	44	562	606
Accumulated Depreciation	-	-	-	-	-	-	(529)	(529)
Closing net book value	-	-	-	-	-	44	33	77

**NATIONAL RESIDUE SURVEY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**
for the year ended 30 June 2006

NOTE 15 Analysis of Property, Plant and Equipment and Intangibles (continued)

Table B - Property, plant and equipment and intangibles at valuation

	Land \$'000	Buildings - on freehold land \$'000	Buildings - leasehold improvements \$'000	Total Buildings \$'000	Total land and buildings \$'000	Infrastructure plant and equipment \$'000	Total \$'000
As at 30 June 2006							
Gross value	-	-	-	-	-	15	15
Accumulated depreciation/ amortisation	-	-	-	-	-	-	-
Closing net book value	-	-	-	-	-	15	15
As at 30 June 2005							
Gross value	-	-	-	-	-	16	16
Accumulated depreciation/ amortisation	-	-	-	-	-	-	-
Closing Net book value	-	-	-	-	-	16	16

Table C - Property, plant and equipment and intangibles held under finance lease

	Land \$'000	Buildings - on freehold land \$'000	Buildings - leasehold improvements \$'000	Total Buildings \$'000	Total land and buildings \$'000	Infrastructure plant and equipment \$'000	Computer Software \$'000	Total \$'000
As at 30 June 2006								
Gross value	-	-	-	-	-	29	-	29
Accumulated depreciation/ amortisation	-	-	-	-	-	-	-	-
Net book value	-	-	-	-	-	29	-	29
As at 30 June 2005								
Gross value	-	-	-	-	-	46	-	46
Accumulated depreciation/ amortisation	-	-	-	-	-	-	-	-
Net book value	-	-	-	-	-	46	-	46

NATIONAL RESIDUE SURVEY
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2006

NOTE 15 Analysis of Property, Plant and Equipment and Intangibles (continued)

Table D - Property, plant and equipment and intangibles under construction

	Land	Buildings - on freehold land	Buildings - leasehold improvements	Total Buildings	Total land and buildings	Infrastructure plant and equipment	Computer Software	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount as at 30 June 2006	-	-	-	-	-	-	-	-
Carrying amount as at 30 June 2005	-	-	-	-	-	-	-	-

Table E - Reconciliation of opening and closing balance of intangibles (at cost)

	Computer Software	Total
	\$'000	\$'000
As at 1 July 2005		
Gross value	562	562
Accumulated amortisation	(494)	(494)
Net book value	68	68
Additions - by purchase	-	-
Internally developed software	-	-
Amortisation expense	(35)	(35)
Disposals (written off) - Gross book value	-	-
Disposals (written off) - Accumulated amortisation	-	-
Gross value as at 30 June 2006	562	562
Accumulated amortisation	(529)	(529)
Net book value	33	33

NATIONAL RESIDUE SURVEY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2006

	2005-06 \$'000	2004-05 \$'000
NOTE 16 Payables		
<u>Note 16A - Suppliers</u>		
Trade creditors	62	181
Workers' compensation	-	3
Total supplier payables	<u>62</u>	<u>184</u>
All supplier payables are current liabilities.		
<u>Note 16B - Other Payables</u>		
Industry rebates	11 942	12 150
Accrued expenses	113	84
Total other payables	<u>12 055</u>	<u>12 234</u>
All other payables are current liabilities		
Total payables	<u>12 117</u>	<u>12 418</u>
All payables are current liabilities.		
NOTE 17 Provisions		
Employees		
Salaries and wages	11	5
Leave	498	436
Superannuation	68	58
Total employee provisions	<u>577</u>	<u>499</u>
Current	215	122
Non-current	<u>362</u>	<u>377</u>
	<u>577</u>	<u>499</u>
Recreation leave vests with the employee and is disclosed as a current liability. Amounts payable in the next 12 months are estimated to be \$64 769. A further amount of \$37 471 is expected to be payable after the next 12 months. Long service leave is disclosed as current and non-current liability based on an actuarial assessment.		
NOTE 18 Interest Bearing Liabilities		
Leases	<u>30</u>	<u>47</u>
Finance lease commitments		
Payable:		
Within one year	22	22
In one to five years	10	30
In more than five years	-	-
Minimum lease payments	<u>32</u>	<u>52</u>
Deduct: future finance charges	(2)	(5)
Net lease liability	<u>30</u>	<u>47</u>
Lease liability is represented by:		
Current	20	19
Non-current	10	28
Net lease liability	<u>30</u>	<u>47</u>
Finance leases are for computer equipment provided under an outsourced IT service contract. The leases are for periods of three or four years depending on the equipment. NRS does not guarantee the residual values of the leased assets.		

NATIONAL RESIDUE SURVEY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2006

	2005-06	2004-05
	\$'000	\$'000
NOTE 19 Cash Flow Reconciliation		
(a) Reconciliation of Cash per Income Statement to Statement of Cash Flows		
Cash at year end per Statement of Cash Flows	472	-
Balance Sheet items comprising above cash:		
Financial Asset - Cash	472	-
(b) Reconciliation of Operating Result to Net Cash from Operating Activities		
Operating result - surplus or (deficit)	29	122
Depreciation and amortisation	58	49
Net write-down of non-financial assets	-	-
Realised gains from Asset Revaluation Reserve	-	-
Net disposal of assets	-	65
Capital appropriation	-	-
Changes in assets and liabilities (net of re-structuring transfers):		
Decrease/(increase) in receivables	286	533
Decrease/(increase) in other financial assets	(53)	86
Decrease/(increase) in other non-financial assets	-	(1)
Decrease/(increase) in inventories	(4)	8
Increase/(decrease) in employee provisions	75	(120)
Increase/(decrease) in supplier payables	(119)	(79)
Increase/(decrease) in other payables	(177)	(1 790)
Net cash from / (used by) operating activities	95	(1 127)

(c) Non-Cash Financing and Investing Activities

Finance leases exist in relation to computer equipment provided under an outsourced IT service contract. Assets and liabilities relating to these have been recognised in the financial statements.

	2005-06	2004-05
	\$	\$
NOTE 20 Act of Grace Payments, Waivers, Write-offs and Defective Administration Scheme		
No Act of Grace payments were made during the reporting period (2004-05: Nil).	-	-
No waivers of amounts owing to the Commonwealth were made pursuant to subsection 34(1) of the <i>Financial Management and Accountability Act 1997</i> (2004-05: Nil).	-	-
No payments were made under the 'Scheme for Compensation for Detriment caused by Defective Administration (CDDA)' during the reporting period (2004-05: Nil).	-	-

NATIONAL RESIDUE SURVEY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2006

NOTE 21 Executive Remuneration

Executive remuneration is all remuneration received, or due and receivable and includes salaries, accrued leave, performance pay, accrued superannuation (both PSS and CSS schemes), motor vehicle costs, allowances and fringe benefits tax.

During 2005-06 and 2004-05 there were no Executives who received or were due to receive total remuneration of \$130,000 or more.

2005-06	2004-05
\$	\$

NOTE 22 Remuneration of Auditors

Financial statement audit services are provided by the Australian National Audit Office. The National Residue Survey operates through a Special Accounts and is required to remit an amount equivalent to the cost of these audits into the Official Public Account. The fair value of the audit services provided was:

- at cost	16 000	15 000
- resource received free of charge	-	-
	<u>16 000</u>	<u>15 000</u>

The Australian National Audit Office provided no other services to the NRS in 2005-06. The at cost payments made are competitive neutrality payments.

2005-06	2004-05
---------	---------

NOTE 23 Average Staffing Levels

The average staffing levels for NRS during the year were:

<u>15</u>	<u>18</u>
-----------	-----------

Average staffing levels are based on full-time equivalents.

NOTE 24 Events Occurring After Balance Date

No significant events have occurred since balance date.

NOTE 25 Joint Ventures

The National Residue Survey is not involved in any joint ventures

**NATIONAL RESIDUE SURVEY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**
for the year ended 30 June 2006

NOTE 26 Financial Instruments

(a) Terms, conditions and accounting policies

Financial instrument	Notes	Accounting policies and methods (including recognition criteria and measurement basis)	Nature of underlying instrument (including significant terms and conditions affecting the amount, timing and certainty of cash flows)
Financial assets		Financial assets are recognised when control over future economic benefits is established and the amount of benefit can be reliably measured.	
Cash balances	7	Cash is recognised at their nominal amounts.	Monies in the NRS bank accounts are swept into the Official Public Account nightly.
Receivables for goods and services	8	These receivables are recognised at the nominal amounts due less any provision for bad and doubtful debts. Collectability of debts is reviewed at balance date. Provisions are made when collection of the debt is judged to be less rather than more likely.	Normal credit terms are net 28 days (2004-05: 28 days).
Appropriation receivable	8	These receivables are recognised at the nominal amounts.	Amounts appropriated by the Parliament in the current or previous years which are available to be drawn down by the NRS. Also includes amounts to be appropriated by the Parliament in a future year for services provided in previous years under a purchasing, workload or other agreement.
Negotiable securities	9	Investments in securities and negotiable certificates of deposit are recorded at cost. Any discounts or premiums on purchase are amortised over the term of the investment. Interest is credited to revenue as it accrues.	Investments in securities and negotiable certificates of deposit are readily realisable in cash, but are normally held until maturity.
Accrued revenue	10	Accrued revenue is recognised in respect of services provided which have not been invoiced, taxes and levies due, and accrued interest.	Accrued revenue is amounts due from receivers of services. Accrued interest is amounts due from borrowers and unpaid interest on investments. Accrued taxes and levies are amounts due from industry in relation to its fiscal obligations.

NATIONAL RESIDUE SURVEY
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2006

NOTE 26 Financial Instruments (continued)

Table (a) Terms, conditions and accounting policies

Financial Instrument	Notes	Accounting policies and methods (including recognition criteria and measurement basis)	Nature of underlying instrument (including significant terms and conditions affecting the amount, timing and certainty of cash flows)
<i>Financial liabilities</i>		Financial liabilities are recognised when a present obligation to another party is entered into and the amount of the liability can be reliably measured.	
Trade and other creditors	16	Creditors and accruals are recognised at their nominal amounts, being the amounts at which the liabilities will be settled. Liabilities are recognised to the extent that the goods or services have been received.	Settlement is usually made net 28 days (2004-05: 28 days).
Industry rebates	16	Industry rebates are recognised at their nominal amounts, being the amounts at which the liabilities will be settled.	See Note 2.22
Finance leases	18	Liabilities are recognised at the present value of the minimum lease payments at the beginning of the lease. The discount rate used is the incremental borrowing rate.	At reporting date, the NRS had finance leases for computer equipment provided under an outsourced information technology infrastructure service contract. The lease terms are for three or four years depending on the item.
<i>Unrecognised financial liabilities</i>			
Contingencies	Schedule of Contingencies	Nil contingent liabilities existed at 30 June 2006 (2004-05: Nil). Contingent liabilities and assets are not recognised in the Balance Sheet but are disclosed in the Schedule of Contingencies. They may arise from uncertainty as to the existence of a liability or asset, or represent an existing liability or asset in respect of which settlement is not probable or the amount cannot be reliably measured.	

NATIONAL RESIDUE SURVEY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2006

NOTE 26 Financial Instruments (continued)

(b) Interest Rate Risk - Agency

Financial Instrument	Notes	Floating interest rate		Fixed interest rate						Non interest bearing		Total		Weighted average effective interest rate	
		2005-06 \$'000	2004-05 \$'000	1 - 5 years		> 5 years		2005-06 \$'000	2004-05 \$'000	2005-06 \$'000	2004-05 \$'000	2005-06 \$'000	2004-05 \$'000	2005-06 %	2004-05 %
				2005-06 \$'000	2004-05 \$'000	2005-06 \$'000	2004-05 \$'000								
Financial Assets															
Cash at bank	7	-	-	-	-	-	-	-	-	472	-	-	472	-	n/a
Receivables for goods and services	8	-	-	-	-	-	-	-	-	2	151	-	2	151	n/a
Other debtors	8	-	-	-	-	-	-	-	-	-	207	-	-	207	n/a
Appropriation receivable	8	-	-	-	-	-	-	-	-	-	-	-	-	-	n/a
Negotiable securities	9	-	-	-	-	-	-	-	-	-	-	-	11 900	12 300	n/a
Accrued revenue	10	-	-	-	-	-	-	-	-	612	559	-	11 900	12 300	5.98
Total financial assets (recognised)		-	-	-	-	-	-	-	-	1 086	917	-	12 986	13 217	n/a
Total assets													13 205	13 416	
Financial Liabilities															
Trade and other creditors	16	-	-	-	-	-	-	-	-	175	268	-	175	268	n/a
Industry liabilities	16	-	-	-	-	-	-	-	-	11 942	12 150	-	11 942	12 150	n/a
Finance leases	18	-	-	20	19	10	28	-	-	-	-	-	30	47	6.00
Total financial liabilities (recognised)		-	-	20	19	10	28	-	-	12 117	12 418	-	12 147	12 465	
Total liabilities													12 724	12 964	
Liabilities Not Recognised															
Claims for damages/costs	Schedule of Contingencies	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00
Total liabilities (unrecognised)		-	-	-	-	-	-	-	-	-	-	-	-	-	

Note: Statutory receivables are not included in the analysis of 2005-06 receivables.

NATIONAL RESIDUE SURVEY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2006

NOTE 26 Financial Instruments (continued)
(c) Net Fair Value of Financial Assets and Liabilities

	Note	2005-06		2004-05	
		Total carrying amount	Aggregate net fair value	Total carrying amount	Aggregate net fair value
		\$'000	\$'000	\$'000	\$'000
Financial Assets					
Cash at bank	7	472	472	-	-
Receivables for goods and services (net)	8	2	2	81	81
Appropriation receivables	8	-	-	-	-
Other debtors	8	-	-	207	207
Negotiable securities	9	11 900	11 900	12 300	12 300
Accrued revenues	10	612	612	559	559
GST Receivable from the ATO	8	-	-	70	70
Total financial assets		12 986	12 986	13 217	13 217
Financial Liabilities (Recognised)					
Trade and other creditors	16	175	175	268	268
Industry liabilities	16	11 942	11 942	12 150	12 150
Finance leases	18	30	30	47	47
Total financial liabilities (recognised)		12 147	12 147	12 465	12 465
Financial Liabilities (Unrecognised)					
Claims for damages/costs		-	-	-	-
Total financial liabilities (unrecognised)		-	-	-	-

Note: Statutory receivables are not included in the analysis of 2005-06 receivables.

Financial assets

The net fair values of all monetary financial assets approximate their carrying amounts.

The net fair values of loans receivable are considered to be at their carrying amounts, as all loan waivers have been written off and provision has been made for all doubtful debts.

Investments in negotiable securities are carried at cost, as it is intended to hold them to maturity.

Financial liabilities

The net fair values of all monetary financial liabilities are approximated by their carrying amounts.

The net fair values of indemnities are regarded as the most likely loss which the Commonwealth faces while the indemnity remains current.

(d) Credit Risk Exposure

NRS's maximum exposures to credit risk at reporting date in relation to each class of recognised financial assets is the carrying amount of those assets as indicated in the Balance Sheet.

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

All figures for credit risk referred to do not take into account the value of any collateral or other security.

Concentrations of credit risk

Credit risk in trade receivables is managed in the following ways:

- payment terms are 28 days;
- withdrawal of services if debt recovery action is unsuccessful.

NATIONAL RESIDUE SURVEY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2006

NOTE 27: Contingent Liabilities and Assets

Quantifiable Contingencies

The NRS has no quantifiable contingent losses or gains.

Unquantifiable Contingencies

Liabilities

The NRS has no unquantifiable contingent liabilities.

Assets

The NRS has no unquantifiable contingent assets.

Remote Contingencies

The NRS has no remote contingencies.

NOTE 28: Appropriations

NRS is a Special Account and a separate reporting entity within the Department of Agriculture, Fisheries and Forestry. Amounts appropriate for NRS outputs are included in the appropriation acts of the Department of Agriculture, Fisheries and Forestry. Please refer to Note 37 of the financial statements for the Department of Agriculture, Fisheries and Forestry for appropriation disclosures and details on the operation of the Special Account.