

EDUCATION, SCIENCE AND TRAINING

SENATE LEGISLATION COMMITTEE - QUESTIONS ON NOTICE 2006-2007 SUPPLEMENTARY ESTIMATES HEARING

Outcome: ALL
Output Group: ALL

DEST Question No. E571_07

Senator Wong provided in writing.

Question:

DEST Annual report 2005-06, p.165. What is the Department's target for its current ratio (current assets to current liabilities)? What has been the Department's current ratio for each year since 2001?

Answer:

Current Ratio

The Department's target for its current ratio in the 2006-07 financial year is in the range of 0.50 to 0.60.

The Department's current ratio for each year since 2001 is shown in the table below:

2001-02	2002-03	2003-04	2004-05*	2006-06*
2.00	1.67	1.33	0.91	0.52

* The introduction of *Australian Equivalents to International Financial Reporting Standards* (AEIFRS) resulted in a change in the classification of employee benefit liabilities. Under AEIFRS employee benefit liabilities are classed as current liabilities when there is a legal right to payment within 12 months. Under the previous Generally Accepted Accounting Principles employee benefit liabilities were classed as current liabilities when the benefit was expected to be taken within 12 months.