

**Senate Finance and Public Administration Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

**Finance and Administration Portfolio**

**Department of Finance and Administration**

Additional Estimates Hearings 2002-2003 – 11 February 2003

**Question: F1**

**Outcome Improved and More Efficient Government Operations, Output Asset Sales**

**Topic: Sale of AIDC Ltd**

**Hansard Page: F&PA 121**

**Senator Conroy asked:**

We will come back to all components of that commercial transaction, but at least we have identified where the money came from. Could you indicate where the transfer of assets is recorded in the budget papers for 1997-98?

**Answer:**

The transfer of assets arising from the sale of AIDC Ltd is not recorded in the Budget Papers for 1997-98.

The sale of AIDC Ltd was undertaken by the Australian Industry Development Corporation, not the Commonwealth. Accordingly, The Corporation's Annual Report for the Financial Year ending 30 June 1998 records the transfer of assets, together with other elements of the sale in its Financial Statements that form part of that report.

In accordance with prevailing instructions for the preparation of financial statements, the Commonwealth's investment in AIDC was recorded in the Department of Industry Science and Tourism financial reports as an administered investment. This was measured as the Commonwealth's share of the net assets of AIDC as at 30 June 1996 adjusted for subsequent contributions or withdrawals of capital by the Commonwealth. The capital of AIDC was not adjusted during 1997-98.

The sale of AIDC Ltd is mentioned in 1997-98 Budget Paper No. 1, page 1-4 and the contingent liabilities of the Commonwealth for AIDC matters on pages 2-35, 2-44 and 2-48. The transfer of assets is not separately recorded.