

**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: F9**

**Outcome 1 - Sustainable Government Finances, Output 1.1.2 - Financial Reporting**

**Topic: Decline in Investments**

**Hansard Page: F&PA 140**

**Senator Conroy asked:**

By 2002, total investments, equity methods plus other halved to \$37 billion. What was the reason for the decline in investments?

**Answer:**

The 1995-96 Consolidated Commonwealth Financial Statements were an unaudited trial undertaken in preparation of the first fully audited accrual based Consolidated Commonwealth Financial Statements in 1997. As a result of this trial, a number of initiatives were implemented in preparation for the first audited Consolidated Financial Statements in 1996-97. These initiatives included revised reporting requirements for departments and agencies such as the provision of balanced administered financial statements. This resulted in revisions to the previously reported figures.

In the case of investments, these revisions resulted in the level of investments at 30 June 1996 being reduced from the unaudited figure of \$72.0 billion to \$37.9 billion. This compares with investment of \$37.1 billion as at 30 June 2002.