

CRC Financial Statements

**CRIMINOLOGY RESEARCH COUNCIL
INDEPENDENT AUDIT REPORT**

To the Attorney-General and Minister for Justice

Scope

I have audited the financial statements of the Criminology Research Council for the year ended 30 June 1997. The statements comprise:

- Statement by Council Members;
- Operating Statement;
- Statement of Assets and Liabilities;
- Statement of Cash Flows;
- Schedule of Commitments; and
- Notes to and forming part of the Financial Statements.

The members of the Council are responsible for the preparation and presentation of the financial statements and the information they contain. I have conducted an independent audit of the financial statements in order to express an opinion on them to the Attorney-General and Minister for Justice.

The audit has been conducted in accordance with Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards, to provide reasonable assurance as to whether the financial statements are free of material misstatement. Audit procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial statements are presented fairly in accordance with Australian Accounting Standards, other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) and statutory requirements so as to present a view of the Council which is consistent with my understanding of its financial position, the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit opinion

In accordance with sub-section 43(2) of the *Criminology Research Act 1971*, I now report that the statements are in agreement with the accounts and records of the Criminology Research Council, and in my opinion:

- (i) the statements are based on proper accounts and records;
- (ii) the statements show fairly in accordance with applicable Accounting Standards, and other mandatory professional reporting requirements, the financial position of the Council as at 30 June 1997 and the results of its operations and its cash flows for the year then ended;
- (iii) the receipt, expenditure and investment of moneys, and the acquisition and disposal of assets, by the Council during the year have been in accordance with the *Criminology Research Act 1971*; and
- (iv) the statements are in accordance with the Guidelines for Financial Statements of Commonwealth Authorities.

Australian National Audit Office



C M McPherson
Executive Director

for the Auditor-General

Canberra

9 September 1997

CRIMINOLOGY RESEARCH COUNCIL

STATEMENT BY COUNCIL MEMBERS

In our opinion, the attached financial statements present fairly the information required by the Minister for Finance's Guidelines for Financial Statements of Commonwealth Authorities.



Laurie Glanfield
Chairman

4 September 1997



Adam Graycar
Director

4 September 1997

**CRIMINOLOGY RESEARCH COUNCIL
OPERATING STATEMENT
for the year ended 30 June 1997**

	Note	1997	1996
		\$	\$
NET COST OF SERVICES			
Operating expenses			
Research projects		202,424	152,833
Employees	3a	62,659	65,028
Suppliers	3b	51,677	49,246
Total operating expenses		<u>316,760</u>	<u>267,107</u>
Operating revenues from independent sources			
Interest		34,091	35,156
Other		8,781	0
Total operating revenues from independent sources		<u>42,872</u>	<u>35,156</u>
Net cost of services		<u>(273,888)</u>	<u>(231,951)</u>
REVENUES FROM GOVERNMENT			
Revenues from government			
Parliamentary appropriations received	4a	249,000	51,314
State and Territory Governments	4b	148,999	157,999
Total revenues from government		<u>397,999</u>	<u>209,313</u>
Surplus (deficit) of revenues from government over net costs of services		124,111	(22,638)
Accumulated surpluses at beginning of reporting period		151,104	173,742
Accumulated surpluses at end of reporting period		<u>275,215</u>	<u>151,104</u>

The accompanying notes form part of these financial statements

CRIMINOLOGY RESEARCH COUNCIL
STATEMENT OF ASSETS AND LIABILITIES
as at 30 June 1997

	Note	1997 \$	1996 \$
PROVISIONS AND PAYABLES			
Suppliers	5a	7,013	8,555
Research Projects	5b	367,076	435,674
Total Provisions and Payables		<u>374,089</u>	<u>444,229</u>
Total liabilities		<u>374,089</u>	<u>444,229</u>
EQUITY			
Capital	6	36,018	36,018
Accumulated surpluses	6	275,215	151,104
Total equity		<u>311,233</u>	<u>187,122</u>
Total liabilities and equity		<u>685,322</u>	<u>631,351</u>
FINANCIAL ASSETS			
Cash	7a	374,575	320,570
Receivables	7b	747	781
Investments	7c	310,000	310,000
Total financial assets		<u>685,322</u>	<u>631,351</u>
Total assets		<u>685,322</u>	<u>631,351</u>
Current liabilities		352,749	329,231
Non-Current liabilities		21,340	114,998
Current assets		685,322	631,351

The accompanying notes form part of these financial statements.

CRIMINOLOGY RESEARCH COUNCIL
STATEMENT OF CASH FLOWS
for the year ended 30 June 1997

	Note	1997 \$	1996 \$
OPERATING ACTIVITIES			
Cash received			
Appropriations		249,000	258,000
State & Territory Government Contributions		148,999	157,999
Interest		34,125	34,907
Other		40,000	0
Total cash received		<u>472,124</u>	<u>450,906</u>
Cash Used			
Suppliers		(115,878)	(114,069)
Research Projects		(302,241)	(163,478)
Total cash used		<u>(418,119)</u>	<u>(277,547)</u>
Net cash from operating activities	8	<u>54,005</u>	<u>173,359</u>
Net increase in cash held		54,005	173,359
Add cash at 1 July		320,570	147,211
Cash at 30 June		<u>374,575</u>	<u>320,570</u>

The accompanying notes form part of these financial statements

CRIMINOLOGY RESEARCH COUNCIL
SCHEDULE OF COMMITMENTS
as at 30 June 1997

	Note	1997	1996
BY TYPE		\$	\$
OTHER COMMITMENTS			
Other Commitments		30,289	32,187
Total other commitments		<u>30,289</u>	<u>32,187</u>
Total commitments payable		30,289	32,187
Commitments receivable		0	0
Net commitments		<u>30,289</u>	<u>32,187</u>
BY MATURITY			
One year or less		11,592	32,187
From one to two years		18,697	0
Net commitments		<u>30,289</u>	<u>32,187</u>

The accompanying notes form part of these financial statements.

CRIMINOLOGY RESEARCH COUNCIL NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 1997

1. Summary of Significant Accounting Policies

1.1 Basis of accounting

The financial statements are a general purpose financial report.

They have been prepared in accordance with:

- Guidelines titled *Financial Statements of Commonwealth Authorities* issued by the Minister for Finance in July 1997 (the 'Guidelines'), which require that the financial statements are prepared:
 - in compliance with Australian Accounting Standards and Accounting Guidance Releases issued by the Australian Accounting Research Foundation; and
 - having regard to Statements of Accounting Concepts, and
- the Consensus Views of the Urgent Issues Group.

The financial statements have been prepared on an accrual basis and are in accordance with historical cost convention except for certain assets which, as noted, are at valuation. Except where stated, no allowance is made for the effect of changing prices on the results or on the financial position.

1.2 Function of Council

The functions of the Council are to control and administer the Criminology Research Fund established in accordance with part IV of the *Criminology Research Act 1971*, from which research grants are made to researchers undertaking criminology research projects.

1.3 Administrative Grant

The Council entered into an agreement with the Australian Institute of Criminology on 20 December 1994 to pay the Institute \$100,000 in the 1994/95 financial year for administrative support services. The same amount was paid to the Institute in 1996/97.

1.4 Taxation

Section 50 of the *Criminology Research Act 1971* states that the transactions of the Council and the Fund are not subject to taxation under any law of the Commonwealth, of a State or of a Territory.

1.5 Cash

For the purpose of the Statement of Cash Flows, cash has been defined as cash at bank and on hand.

1.6 Comparative figures

Where necessary comparative figures have been adjusted to conform with changes in presentation in these financial statements.

2. Economic Dependency

The Council is dependent upon funding from the Commonwealth Government, the State Governments and the Northern Territory Government.

3. Goods and Service Expenses

3a. Employee Expenses

The Council is serviced by the staff of the Australian Institute of Criminology. Salaries in the accounts represents a proportion of the salaries of persons working on the Criminology Research Fund but paid by the Institute. This amount is deemed to be part of the administrative grant paid by the Council to the Institute.

	1996-97	1995-96
	\$	\$
Salaries relating to administrative grant	<u>62,659</u>	<u>65,028</u>

3b. Suppliers Expenses

The Council incurred administrative expenses during the year, which have been brought to account in the body of the statements under this expense category. Part of the administrative expenses represent a portion of the administrative grant paid by the Council to the Institute.

	1996-97	1995-96
	\$	\$
Administrative expenses relating to administrative grant	37,341	34,972
Other administrative expenses	<u>14,336</u>	<u>14,274</u>
Total Suppliers Expenses	<u>51,677</u>	<u>49,246</u>

4. Revenues from Government

4a. Parliamentary appropriations

	1996-97	1995-96
	\$	\$
Attorney-General's Department Division 126 Appropriation Act No. 1	<u>249,000</u>	<u>51,314</u>

4b. State and Territory Governments Contributions

The States and the Northern Territory contributed at an agreed level on a pro rata population basis as follows.

	1996-97	1995-96
	\$	\$
New South Wales	51,340	54,487
Victoria	37,798	40,203
Queensland	27,513	28,975
Western Australia	14,541	15,369
South Australia	12,375	13,188
Tasmania	3,971	4,234
Northern Territory	1,461	1,543
	<u>148,999</u>	<u>157,999</u>

5. Provisions & Payables5a. Suppliers

	1996-97	1996-95
	\$	\$
Current Trade creditors	<u>7,013</u>	<u>8,555</u>

5b. Research Projects Liabilities

This item represents amounts for research projects approved by the Council and accepted by, but not distributed to grantees as at 30 June 1997.

	1996-97	1995-96
	\$	\$
Current Liabilities Research projects	345,736	320,676
Non-Current Liabilities Research projects	21,340	114,998
Total	<u>367,076</u>	<u>435,674</u>

6. Equity

Item	Capital	Accumulated results	TOTAL EQUITY
Balance 1 July 1996	36,018	151,104	187,122
Surplus/(Deficit)	<u>0</u>	<u>124,111</u>	<u>124,111</u>
Balance 30 June 1997	<u><u>36,018</u></u>	<u><u>275,215</u></u>	<u><u>311,233</u></u>

7. Financial Assets

7a. Cash

	1996-97	1995-96
	\$	\$
Cash at bank and on hand	<u><u>374,575</u></u>	<u><u>320,570</u></u>

7b. Receivables

	1996-97	1995-96
	\$	\$
Other Debtors	<u><u>747</u></u>	<u><u>781</u></u>

7c. Investments

	1996-97	1995-96
	\$	\$
Term Deposits	<u><u>310,000</u></u>	<u><u>310,000</u></u>

8. Cash Flow Reconciliation

Reconciliation of net cash flows from operating activities to net cost of services

	1996-97	1995-96
Net cost of services	(273,888)	(231,951)
Revenues from governments	<u>397,999</u>	<u>209,313</u>
Operating surplus/(deficit)	124,111	(22,638)
Decrease in research projects	(68,598)	(10,645)
Increase in creditors	0	205
Decrease in creditors	(1,542)	0
Decrease in receivables	34	206,437
Net cash flows from operating activities	<u><u>54,005</u></u>	<u><u>173,359</u></u>

9. Related party disclosures

The members of the Criminology Research Council during the year were:

	<i>Appointment</i>	<i>Terminated</i>
Mr Laurie Glanfield (Chairman) Director-General, Attorney-General's Department, New South Wales	30.07.91	
Mr Norman Reaburn (Commonwealth) Deputy Secretary, Attorney-General's Department	04.12.94	
Mr John Van Groningen Commissioner, Office of the Correctional Services Commissioner, Department of Justice, Victoria	30.06.93	
Dr. Ken Levy Deputy Director-General, Department of Justice, Queensland	12.12.90	
Dr. Robert Fitzgerald Executive Director, Policy &-Legislation Division, Ministry of Justice, Western Australia	26.06.96	
Mr John Gardner Commissioner, Northern Territory Correctional Services, Northern Territory	29.04.96	
Mr Peter Maloney Director, Legislation and Policy, Justice Department, Tasmania	20.11.89	
Ms Joy Wundersitz Director, Office of Crime Statistics, Attorney-General's Department, South Australia	19.07.95	

No loans were made to any members of the Council during the reporting period.

10. Contingent Liabilities

There was no contingent liability against the Criminology Research Council as at 30 June 1997.

11. Executive Remuneration

There are no executive appointments on the Criminology Research Council.

12. Auditor's Remuneration

	1996-97	1995-96
	\$	\$
Remuneration to the Auditor-General for auditing the financial statements for the reporting period	6,900	6,900

No other services were provided by the Auditor-General during the reporting period.