

Department of Foreign Affairs and Trade
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

3. Departmental Financial Position

3.1 Financial Assets

	2018 \$'000	2017 \$'000
<u>Note 3.1A: Cash and Cash Equivalents</u>		
Cash on hand or on deposit	48,618	75,198
Overseas property special account cash held by the entity	3,096	976
Overseas property special account cash held in the OPA	354,229	102,229
Total cash and cash equivalents	405,943	178,403
<u>Note 3.1B: Trade and Other Receivables</u>		
Goods and services receivables		
Goods and services	72,510	40,543
Total goods and services receivables	72,510	40,543
Appropriations receivables		
Departmental - operating	315,215	403,479
Departmental - capital	118,154	107,793
Total appropriations receivable	433,369	511,272
Other receivables		
Advances	14,694	14,026
Statutory receivables	3,964	5,384
Cash held by outsiders	221	203
Other	1,015	1,594
Total other receivables	19,894	21,207
Total trade and other receivables (gross)	525,773	573,022
Less impairment allowance		
Goods and services	(111)	-
Total impairment allowance	(111)	-
Total trade and other receivables (net)	525,662	573,022

The impairment allowance account is all aged more than 90 days.

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Note 3.1B: Trade and Other Receivables (continued)

Reconciliation of the Impairment Allowance Account:

Movements in relation to 2018

	Goods and services \$'000	Other receivables \$'000	Total \$'000
Opening balance	-	-	-
Increase recognised in net cost of services	111	-	111
Closing balance	111	-	111

Movements in relation to 2017

	Goods and services \$'000	Other receivables \$'000	Total \$'000
Opening balance	-	33	33
Amounts written off	-	(33)	(33)
Closing balance	-	-	-

Accounting policy

Aside from cash, financial assets are all classified as receivables. Terms for receivables for goods and services are 30 days (2017: 30 days).

Receivables

Receivables have fixed or determinable payments and are not quoted in an active market. Receivables are initially measured at fair value and subsequently at amortised cost using the effective interest method less impairment.

Appropriations

Amounts appropriated for departmental appropriations for the year (adjusted for any formal additions and reductions) are recognised as Revenue from Government when the entity gains control of the appropriation, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned. Appropriations receivable are recognised at their nominal amounts.

Impairment

Financial assets are assessed for impairment at the end of each reporting period. Allowances are made when collectability of the debt is no longer probable. The loss is recognised in the Statement of Comprehensive Income.