



HIGH COURT OF AUSTRALIA



ANNUAL REPORT 2016-2017

© High Court of Australia 2017

ISSN 0728-4152 (print)

ISSN 1838-2274 (on-line)

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High Court of Australia

Canberra ACT 2600

30 November 2017

Dear Attorney

In accordance with section 47 of the *High Court of Australia Act 1979* (Cth), I submit on behalf of the High Court and with its approval a report relating to the administration of the affairs of the Court under section 17 of the Act for the year ended 30 June 2017, together with financial statements in respect of the year in the form approved by the Minister for Finance.

Section 47(3) of the Act requires you to cause a copy of this report to be laid before each House of Parliament within 15 sitting days of that House after its receipt by you.

Yours sincerely



Andrew Phelan

Chief Executive and Principal Registrar
of the High Court of Australia

Senator the Honourable George Brandis QC
Attorney-General
Parliament House
Canberra ACT 2600



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PART 1
PREAMBLE

PART 1

PREAMBLE

This is the 38th report prepared as required by the *High Court of Australia Act 1979* (Cth).

ENQUIRIES OR COMMENTS CONCERNING THIS REPORT MAY BE DIRECTED TO:

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ELECTRONIC PUBLICATION

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PART 2
CHIEF JUSTICE'S OVERVIEW

PART 2

CHIEF JUSTICE'S OVERVIEW

Section 71 of the Constitution vests the judicial power of the Commonwealth in the High Court of Australia, in such other federal courts as the Parliament creates, and in such other courts as it vests with federal jurisdiction. The High Court has original jurisdiction in matters defined by s 75 of the Constitution and original jurisdiction conferred by laws made by the Parliament under s 76 of the Constitution — including jurisdiction in any matter arising under the Constitution or involving its interpretation, or in any matter arising under any laws made by the Parliament. The High Court is also the final court of appeal for all other Federal courts or courts exercising federal jurisdiction and for the Supreme Court of any State.

The High Court today consists of seven Justices, each appointed until the age of 70. The Justices administer the affairs of the Court pursuant to s 17 of the *High Court of Australia Act 1979* (Cth). The Justices are assisted in that task by the Chief Executive and Principal Registrar, Mr Andrew Phelan and by senior staff of the Court. The Justices hold a Court Business Meeting with the Chief Executive and Principal Registrar in each sitting period. Committees made up of Justices and senior staff deal with matters such as Finance, Information Technology, Rules, Public Information, Library Services, Art and the production of the Annual Report, and make recommendations to the Court Business Meeting.

There were changes in the composition of the Court in the year in review with the retirement of Chief Justice French and the appointment of me as Chief Justice and of Justice James Edelman to the Court in January 2017. A ceremony was held in December 2016 to mark the occasion of Chief Justice French's retirement at which his great service as a judge over a lengthy period, in the Federal Court and as Chief Justice of this Court, was publicly

acknowledged. At two ceremonies held on 30 January 2017 I was sworn in as the Chief Justice and Justice Edelman was publicly welcomed to the Court.

In 2016-2017, the Court decided 483 Special Leave Applications, 57 appeals, two cases involving an application for constitutional writs and 16 other cases. Ninety-eight per cent of the applications for leave or special leave to appeal and 93 per cent of appeals decided by the Court during the reporting year were completed within nine months of filing. All civil and criminal appeals decided by the Full Court in 2016-2017 were decided within six months of the hearing of argument. Seventy-two per cent of the cases were decided within three months of hearing.

Cases decided by the Court during the reporting period reflect the Court's functions as the final appellate and constitutional court of Australia and the variety of subject matters encompassed by its jurisdiction. They included cases about the constitutional validity of laws relating to the closing of the electoral roll, changes to payments made to certain former members of Parliament, the eligibility of Senators to be elected or sit where they

have been convicted of an offence or have indirect pecuniary interests, and the mandatory examination of company officers under the *Corporations Act 2001* (Cth). The Court also heard a number of criminal cases involving the admissibility of evidence, joint criminal enterprise, and sentencing, together with cases involving disability discrimination, price fixing, family law, limitation periods, taxation, and workers' compensation.

As the apex court in the Australian judicial system, the Court has judicial leadership functions within and beyond Australia. As Chief Justice of Australia, I chair the Council of Chief Justices of Australia and New Zealand, a body which, among other things, provides a mechanism for communication between the national judiciary and government on matters of common interest. The Chief Executive and Principal Registrar (CE&PR) of the Court administers and coordinates the work of the Council and provides secretariat services for meetings.

The Court has important engagements with the judiciary of the Asia Pacific region. Justice Bell convenes the Secretariat of the Asia Pacific Judicial Reform Forum and is supported in that work by the CE&PR. Through the office of the CE&PR, the Court continues to facilitate high level engagements in Australia and overseas with the judiciaries of other nations. During the year, there were several high level engagements with the judiciaries of a number of countries, China in particular, as outlined later in this report.

During the year in review, progress was made towards resolving longstanding problems in Court funding. In late 2016, Chief Justice French wrote to the Prime Minister proposing the development of an enduring, principles-based agreement or understanding between the government and the Court covering Court

funding. Chief Justice French noted that while the amounts of money involved are minute in the context of Commonwealth expenditure generally, 'it is necessary that Court funding be dealt with appropriately so that it can perform its Constitutional functions efficiently and effectively.' Chief Justice French also sought exemption of the High Court from the application of the increase in the efficiency dividend announced in the Government's 2016-2017 Budget. The Prime Minister agreed the importance of the Government recognising the unique role of the Court in the Australian constitutional system of government. He agreed to exempt the Court from the requirement to meet the increase to the efficiency dividend and he asked the Attorney-General and the Minister for Finance to consider the Court's suggestions for a principles-based agreement for Court funding. Discussions on the principles for a funding agreement commenced during 2016-2017 and are ongoing. They have continued to have regard to parallel developments in the security threat environment generally and specifically in the Parliamentary Zone and the limited capacity of the Court to respond to those developments.

In May 2017, I wrote to the Prime Minister to seek the commitment, in principle, of the Government to assuming greater responsibility for the Court's security through the use of the Australian Federal Police, on a model similar to that which has been put in place for the security of Parliament House. It is undoubtedly the duty of the Executive to ensure that the constitutional elements of Australia's governments are protected. That has been recognised in the steps taken with respect to Parliament. In my letter to the Prime Minister, I said that it is difficult to see why, in principle, the approach taken to securing Parliament should not be extended to the High Court. In his response, the Prime Minister

“...the Court’s administration continued its outstanding work of refurbishing and improving, where possible, the High Court building’s infrastructure.”

said that he had asked the relevant Minister to take responsibility for a comprehensive review of Court security requirements and to report with findings as well as specific recommendations on proposed security measures and how these may be implemented. The review was subsequently completed and the Court has commenced to implement such recommendations as it is capable of implementing. Implementation of sustainable security measures and improvements to the physical security of the High Court building will be subject to resolution of the funding principles to which I have already made reference.

During the year in review, the Court’s administration continued its outstanding work of refurbishing and improving, where possible, the High Court building’s infrastructure. The Court was unable to sit in Canberra while the building’s 37 year old air conditioning system underwent a multi-million dollar refurbishment, which also involved the removal of asbestos. The Court’s June 2017 sittings were therefore held in Sydney and Adelaide, the August 2017 sittings were held in Brisbane and the September 2017 sittings were held in Melbourne. I wish to record the Court’s appreciation for the outstanding work performed by the Court’s staff in ensuring that the operations of the Court were well supported, the sittings proceeded smoothly and the High Court building remained open to the public for registry purposes, visits and school tours and the concerts, throughout this extended period of disruption. I wish especially

to acknowledge the dedication and work of Mr Jeff Smart, Manager Corporate Services.

Earlier this year, the Court agreed to the establishment of the Australian Constitution Centre at the High Court in Canberra, in conjunction with the Constitution Education Fund of Australia. The Centre will explore and explain the Australian Constitution, its history and its contemporary relevance through engaging and innovative exhibits, supported by its own website. It will add to the menu of excellent educational services provided by the Court. I look forward to opening the Centre in April 2018.

This will be the last occasion on which the current CE&PR will assist with the Annual Report. Mr Phelan has notified His Excellency the Governor-General and the Court of his intention to retire. Mr Phelan has served the Court and the Justices with distinction since 2007. I wish to acknowledge the substantial contribution he has made to the administration of the Court, to the maintenance and improvement of its infrastructure as well as the valuable advice which he has consistently provided the Chief Justice and Justices of the Court.

I also take this opportunity of thanking the Senior Officers of the Court and the members of the staff of the Court for the assistance that they have provided to the Justices in the year ended 30 June 2017.



PART 3
OVERVIEW OF THE HIGH COURT OF AUSTRALIA

PART 3

OVERVIEW OF THE HIGH COURT OF AUSTRALIA

ESTABLISHMENT

The High Court of Australia is the apex court in the Australian judicial system. It has its origins in section 71 of the Constitution. The *Judiciary Act 1903* (Cth) regulates the exercise of the Court's appellate and original jurisdiction. The Court was given the power to administer its own affairs in the *High Court of Australia Act 1979* (Cth).

FUNCTIONS AND POWERS

The functions of the High Court are to:

- interpret and apply the law of Australia
- decide cases of special federal significance, including challenges to the constitutional validity of laws
- hear appeals, by special leave, from federal, state and territory courts.

In addition to its appellate and original jurisdiction, the High Court also has jurisdiction to hear electoral disputes as the Court of Disputed Returns under the *Commonwealth Electoral Act 1918* (Cth). Appeals may also be brought to the High Court from the Supreme Court of the Republic of Nauru.

JUSTICES OF THE COURT

As at 30 June 2017, the seven Justices of the Court were:



CHIEF JUSTICE SUSAN KIEFEL AC

Susan Mary Kiefel was appointed Chief Justice of the High Court of Australia in January 2017. She was appointed a justice of the High Court of Australia in September 2007. At the time of her appointment as a justice she was a judge of the Federal Court of Australia and the Supreme Court of Norfolk Island. She served as a judge of the Supreme Court of Queensland in 1993–94 before joining the Federal Court. She was admitted to the Queensland Bar in 1975 and was appointed Queen’s Counsel, in 1987. Justice Kiefel served as a part-time Commissioner of the Australian Law Reform Commission from 2003 to 2007. She has a Masters of Laws degree from The University of Cambridge. Chief Justice Kiefel was appointed a Companion in the General Division of the Order of Australia in 2011.



JUSTICE VIRGINIA BELL AC

Virginia Margaret Bell was appointed to the Court in February 2009. At the time of her appointment she was a judge of the New South Wales Court of Appeal. She graduated from the University of Sydney as a Bachelor of Laws in 1977. After seven years as a solicitor with the Redfern Legal Centre, she was admitted to the New South Wales Bar in 1984 and was appointed a Senior Counsel in 1997. Justice Bell practised as a public defender between 1986 and 1989 before returning to the private Bar. Between 1994 and 1997 she was a counsel assisting the Royal Commission into the New South Wales Police Service. Justice Bell was appointed a judge of the Supreme Court of New South Wales in March 1999. She served as president of the Australasian Institute of Judicial Administration from 2006 to 2008. Justice Bell was appointed a Companion in the General Division of the Order of Australia in 2012.



JUSTICE STEPHEN GAGELER AC

Stephen John Gageler was appointed to the Court in October 2012. At the time of his appointment he was Solicitor-General of Australia. He is a graduate of the Australian National University and has post-graduate qualifications from Harvard University. He was admitted as a barrister of the Supreme Court of New South Wales in 1989 and was appointed Senior Counsel in 2000. Before his appointment as Solicitor-General in 2008, he practised as a barrister extensively throughout Australia principally in constitutional law, administrative law and commercial law. Justice Gageler was appointed a Companion in the General Division of the Order of Australia in 2017.



JUSTICE PATRICK KEANE AC

Patrick Anthony Keane was appointed to the Court in March 2013. At the time of his appointment he was Chief Justice of the Federal Court of Australia. He served as a judge of the Court of Appeal, Supreme Court of Queensland from 2005-2010 before joining the Federal Court. He is a graduate of the University of Queensland and University of Oxford. He was admitted to the Queensland Bar in 1977 and in 1988 was appointed Queen's Counsel. He was Solicitor-General for Queensland from 1992 to 2005. Justice Keane was appointed a Companion in the General Division of the Order of Australia in 2015.



JUSTICE GEOFFREY NETTLE

Geoffrey Arthur Akeroyd Nettle was appointed to the Court in February 2015. At the time of his appointment, he was a judge of the Victorian Court of Appeal, to which he was appointed in June 2004. Before that he served as a judge of the Trial Division of the Supreme Court of Victoria, to which he had been appointed in July 2002. He graduated in economics from the Australian National University, in law from the University of Melbourne and as a Bachelor of Civil Law from the University of Oxford. He was admitted to practice in 1977 and joined the Victorian Bar in 1982. He was appointed a Queen's Counsel in 1992. He practised in state and federal courts principally in commercial, equity, taxation and constitutional matters.



JUSTICE MICHELLE GORDON

Michelle Marjorie Gordon was appointed to the Court in June 2015. At the time of her appointment, she was a judge of the Federal Court of Australia, to which she was appointed in April 2007. She graduated in law from the University of Western Australia. She was admitted to practice in Western Australia in 1987 and joined the Victorian Bar in 1992. She was appointed Senior Counsel in 2003. She practised in state and federal courts principally in commercial, equity, taxation and general civil matters. She was appointed a Professorial Fellow of the Melbourne Law School in July 2015.



JUSTICE JAMES EDELMAN

James Joshua Edelman was appointed to the Court in January 2017. From 2015 until the time of his appointment he was a judge of the Federal Court of Australia. From 2011 until 2015 he was a judge of the Supreme Court of Western Australia. He previously practised as a barrister in Western Australia from 2001-2011 in the areas of criminal law and commercial law and at One Essex Court Chambers from 2008-2011 in commercial law. He was a Fellow of Keble College, Oxford from 2005, and Professor of the Law of Obligations at the University of Oxford from 2008 until 2011.



On 29 January 2017 the Hon Robert French AC retired from the High Court and was replaced as Chief Justice by the Hon Susan Kiefel AC.

CHIEF JUSTICE ROBERT FRENCH AC (RETIRED)

Robert Shenton French was appointed Chief Justice of the High Court of Australia in September 2008. At the time of his appointment he was a judge of the Federal Court of Australia, having been appointed to that office in November 1986. He graduated from the University of Western Australia in science and law. He was admitted in 1972 and practised as a barrister and solicitor in Western Australia until 1983 when he went to the Western Australian Bar. From 1994–98 he was President of the National Native Title Tribunal. At the time of his appointment he was an additional member of the Supreme Court of the Australian Capital Territory and a member of the Supreme Court of Fiji. He was also a Deputy President of the Australian Competition Tribunal and a part-time member of the Australian Law Reform Commission. From 2001 until January 2005 he was president of the Australian Association of Constitutional Law. Chief Justice French was appointed a Companion in the General Division of the Order of Australia in 2010.

SEAT OF THE COURT

Section 14 of the *High Court of Australia Act* 1979 (Cth) provides that the seat of the High Court shall be at the seat of government in the Australian Capital Territory.

SITTINGS OF THE COURT

Sittings of a Full Court (two or more justices) are held at the places and on the days fixed by rule of Court. Most Full Court sittings are held in the seat of the Court in Canberra, but are also held in State capital cities if warranted by the amount of business. Sittings of a Full Court were held in Adelaide, Brisbane, Melbourne and Sydney during the 2016-2017 year.

A Justice may sit to hear and determine applications to a single Justice at the places and on the days that the Justice thinks fit. During the 2016-2017 year, numerous single Justice sittings were held in Canberra, Brisbane, Perth, Melbourne and Sydney.

Constitutional cases are heard by all seven Justices. Appeals are usually heard by five or seven Justices. Before an appeal is heard the Court must have granted leave or special leave to appeal. Special leave applications are first examined by a panel of Justices, usually two. If the panel decides that special leave should be granted or refused without oral argument, orders to that effect are published by the members of the panel, sitting in open court. If the panel considers that the application should be heard in court, it is so listed and proceeds to an oral hearing. Video-links are used extensively by the Court in hearings of special leave applications and in single Justice hearings.

APPOINTMENT OF JUSTICES OF THE COURT

Under section 72 of the Constitution, Justices of the High Court:

- are appointed by the Governor-General in Council
- cannot be removed except by the Governor-General in Council on an address from both Houses of Parliament in the same session, praying for such removal on the grounds of proved misbehaviour or incapacity
- receive such remuneration as the Parliament may fix but the remuneration shall not be diminished during their continuance in office
- must retire on attaining the age of 70 years.

Part II of the *High Court of Australia Act* 1979 (Cth) contains further provisions concerning the Court and the Justices, including:

- the Attorney-General shall, before an appointment is made to a vacant office of Justice of the Court, consult with the Attorneys-General of the States in relation to the appointment
- a person shall not be appointed as a Justice unless:
 - he or she has been a judge of a court created by the parliament or of a court of a State or Territory, or
 - he or she has been enrolled as a barrister or solicitor or as a legal practitioner of the High Court or of a Supreme Court of a State or Territory for not less than five years

- a Justice is not capable of accepting or holding any office of profit within Australia
- the Chief Justices and the other Justices shall receive salary and other allowances at such rates as are fixed from time to time by Parliament.

CHIEF JUSTICES AND JUSTICES OF THE COURT

There have been 13 Chief Justices and 47 Justices since the High Court was established in 1903, including the current members of the Court.

Three members of the Court – Sir Issac Isaacs, Sir Ninian Stephen and Sir William Deane – resigned to be appointed to the office of Governor-General.

The name and years of service of each Chief Justice and High Court Justice are:

Chief Justices

Sir Samuel Walker Griffith 1903–1919
 Sir Adrian Knox 1919–1930
 Sir Isaac Alfred Isaacs 1930–1931
 Sir Frank Gavan Duffy 1931–1935
 Sir John Greig Latham 1935–1952
 Sir Owen Dixon 1952–1964
 Sir Garfield Edward John Barwick 1964–1981
 Sir Harry Talbot Gibbs 1981–1987
 Sir Anthony Frank Mason 1987–1995
 Sir (Francis) Gerard Brennan 1995–1998
 (Anthony) Murray Gleeson 1998–2008
 Robert Shenton French 2008–2017
 Susan Mary Kiefel 2017–

Justices

Sir Edmund Barton 1903–1920
 Richard Edward O'Connor 1903–1912
 Sir Isaac Alfred Isaacs 1906–1930
 Henry Bournes Higgins 1906–1929
 Sir Frank Gavan Duffy 1913–1931
 Sir Charles Powers 1913–1929
 Albert Bathurst Piddington 1913–1913
 Sir George Edward Rich 1913–1950
 Sir Hayden Erskine Starke 1920–1950
 Sir Owen Dixon 1929–1952
 Herbert Vere Evatt 1930–1940
 Sir Edward Aloysius McTiernan 1930–1976
 Sir Dudley Williams 1940–1958
 Sir William Flood Webb 1946–1958
 Sir Wilfred Kelsham Fullagar 1950–1961
 Sir Frank Walters Kitto 1950–1970
 Sir Alan Russell Taylor 1952–1969
 Sir Douglas Ian Menzies 1958–1974
 Sir Victor Windeyer 1958–1972
 Sir William Francis Langer Owen 1961–1972
 Sir Cyril Ambrose Walsh 1969–1973
 Sir Harry Talbot Gibbs 1970–1981
 Sir Ninian Martin Stephen 1972–1982
 Sir Anthony Frank Mason 1972–1987
 Sir Kenneth Sydney Jacobs 1974–1979
 Lionel Keith Murphy 1975–1986
 Sir Keith Arthur Aickin 1976–1982
 Sir Ronald Darling Wilson 1979–1989
 Sir (Francis) Gerard Brennan 1981–1995
 Sir William Patrick Deane 1982–1995
 Sir Daryl Michael Dawson 1982–1997
 John Leslie Toohey 1987–1998

Mary Genevieve Gaudron 1987–2003

Michael Hudson McHugh 1989–2005

William Montague Charles
Gummow 1995–2012

Michael Donald Kirby 1996–2009

Kenneth Madison Hayne 1997–2015

Ian David Francis Callinan 1998–2007

(John) Dyson Heydon 2003–2013

Susan Maree Crennan 2005–2015

Susan Mary Kiefel 2007–

Virginia Margaret Bell 2009–

Stephen John Gageler 2012–

Patrick Anthony Keane 2013–

Geoffrey Arthur Akeroyd Nettle 2015–

Michelle Marjorie Gordon 2015–

James Joshua Edelman 2017–

ADMINISTRATION OF THE COURT

In addition to the regular Court Business Meetings between the Justices and the CE&PR, the Court has a number of committees consisting of Justices and senior members of staff. As at 30 June 2017, they comprised the following Committees:

- Finance
- Rules
- Public Information
- Information Technology
- Security
- International
- Library
- Artworks
- Annual Report

With the enactment of the *High Court of Australia Act 1979* (Cth), the Court was given responsibility for its own administration (section 17). The CE&PR has the function of ‘acting on behalf of, and assisting, the Justices in the administration of the affairs of the High Court under section 17 and has such other functions are conferred on him or her by this Act or assigned to him or her by the Court’ (section 19(1)). The current CE&PR, Mr Andrew Phelan, was first appointed by the Governor-General on 20 July 2007, upon nomination by the Court, and has been reappointed twice.

The CE&PR has power to ‘do all things that are necessary or convenient to be done for or in connection with the performance of his or her functions’ (section 19(2) of the *High Court of Australia Act 1979* (Cth)). The CE&PR may appoint such other officers and engage other employees as the Court considers necessary (sections 26(1) and (3)). The Court determines the terms and conditions of employment of employees, including remuneration and allowances (section 26(4)). Employees and officers of the High Court are not covered by the *Public Service Act 1999* (Cth). The Registry is under the control of the CE&PR (section 30(2)), assisted by the Senior Registrar.

The High Court’s executive team comprises the CE&PR, the Senior Registrar, the Manager Corporate Services, the Manager Executive Support, the Senior Executive Deputy Registrar and the High Court Librarian. Employees are located primarily in Canberra but also in chambers and offices of the Registry in Sydney, Melbourne and Brisbane.

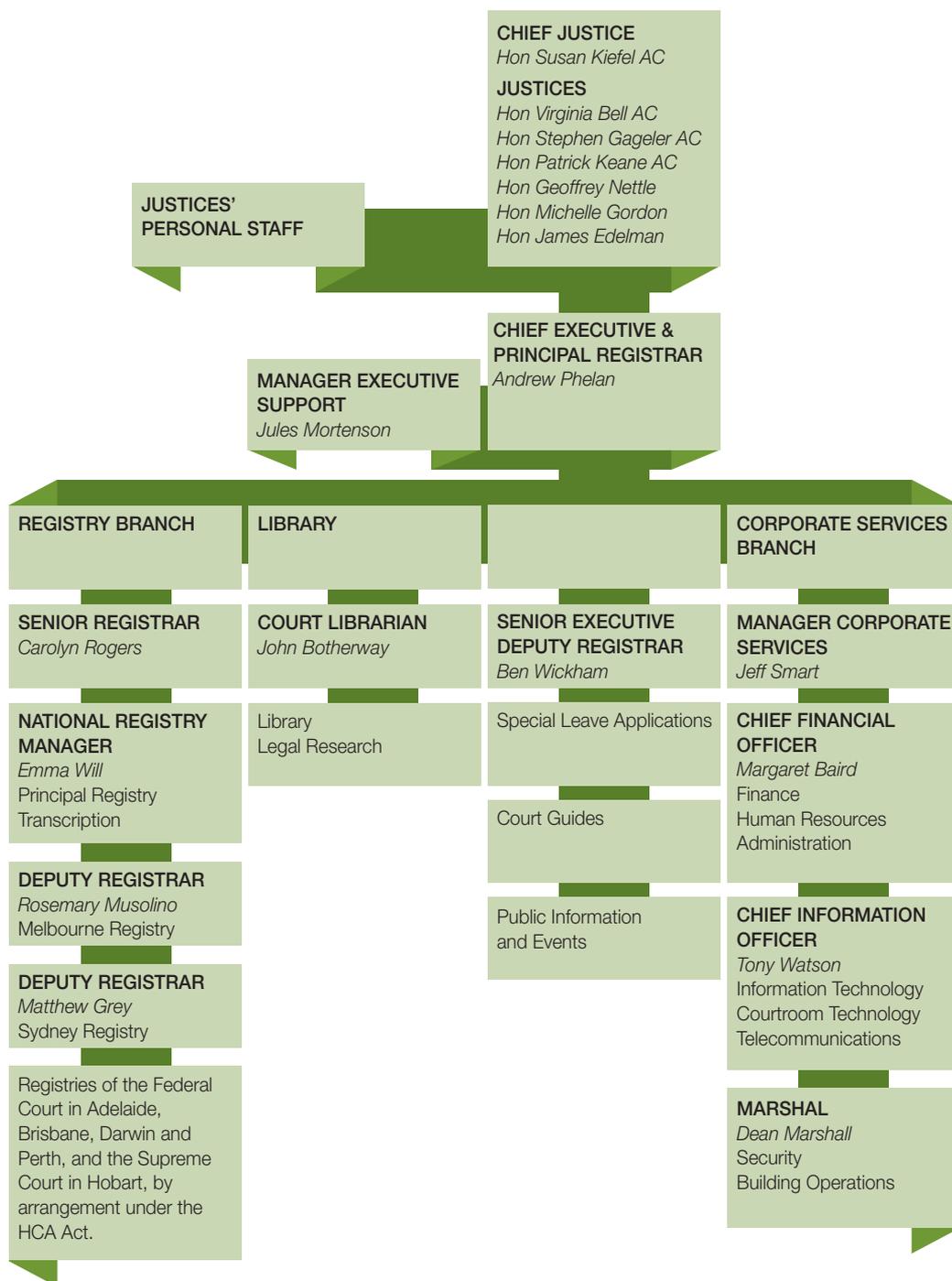
APPROPRIATIONS AND SPENDING

The Court may spend moneys appropriated to it by Parliament (section 35 of the *High Court of Australia Act 1979* (Cth)) or other moneys (section 39)). Moneys paid to the Court under section 35 shall be applied only in payment or discharge of the costs and expenses of the administration of the affairs of the Court under section 17 and in payment of any remuneration and allowances payable

under the Act to any person other than a Justice. Timings of the Court’s draw-downs of its appropriated moneys are subject to directions from the Minister for Finance, but the Court is not otherwise subject to the financial controls exercised by the Minister over all other Commonwealth agencies and the federal courts. The Court is subject to the processes set by Cabinet for setting of the amounts of moneys to be appropriated, inclusive of the rules set by the Finance Minister for costing agency outputs and any proposed new initiatives. The Court may not expend its appropriated moneys otherwise than in accordance with estimates approved by the Attorney-General (section 36(2)). The Court therefore participates in the Annual and Additional Estimates processes, and the CE&PR and other officers appear, when called, before the Senate Legal and Constitutional Affairs committee at Budget and Additional Estimates.

Section 42 of the *High Court of Australia Act 1979* (Cth) provides that the Court ‘shall cause to be kept proper accounts and records of the transactions and affairs relating to the administration of the affairs of the Court under section 17 and shall do all things necessary to ensure that all payments out of the moneys held by the Court are correctly made and properly authorised and that adequate control is maintained over the assets held by, or in the custody of, the Court and over the incurring of liabilities by the Court’.

HIGH COURT OF AUSTRALIA ORGANISATIONAL CHART AS AT 30 JUNE 2017



Justices' remuneration and that of the CE&PR are drawn from the standing appropriation under the *Remuneration Tribunal Act 1973* (Cth).

THE HIGH COURT BUILDING

The High Court building, situated in the Parliamentary Zone on the shores of Lake Burley Griffin, is one of Canberra's major national buildings. The building was opened by Her Majesty Queen Elizabeth II on 26 May 1980. The building was designed by the architectural firm of Edwards Madigan Torzillo & Briggs Pty Ltd, the winners of a national competition. The 40-metre tall concrete and glass building comprises a number of major functional elements, namely a large Public Hall, three courtrooms, an administrative wing, and an area provided for the Justices. The forecourt and main entrance of the building are approached via a long ceremonial ramp. A waterfall designed by Robert Woodward and constructed of South Australian speckled granite runs the full length of one side of the ramp.



PART 4
THE WORK OF THE COURT IN 2016-2017

PART 4

THE WORK OF THE COURT IN 2016-2017

A. JUDICIAL WORKLOADS

Changes in Court Processes

During the 2015-2016 year, the Court reviewed the procedures governing the filing and determination of applications for leave and special leave to appeal to the Court and decided to streamline some of the processes in order to reduce the time between filing and determination of applications and to reduce the cost to the parties. The *High Court Amendment (2016 Measures No 1) Rules* 2016 commenced on 1 July 2016, incorporating in the *High Court Rules* 2004 the new special leave procedures (in Part 41) and the amendments required to bring Part 26 (dealing with applications for removal of proceedings pending in other courts) into line with the new procedures. The Amendment Rules also provided a new Form for the outline of oral submissions required in Full Court hearings.

During 2016-17, the Court undertook a review of the procedures governing the preparation for hearings of appeals and matters in the Court's original jurisdiction. Following consultation with the legal profession, the *High Court Amendment (Appeals and Other Matters) Rules* 2017 were signed on 9 October 2017.

Special leave applications

Comparisons of the number of special leave applications filed and determined for the last five years are provided in the following tables. The proportion of special leave applications filed by self-represented litigants during 2016-2017 was 42 per cent (compared with 46 per cent in 2015-2016).

The *High Court Rules* 2004 provide that the Court may determine leave and special leave applications on the papers without an oral hearing. In those cases, the applications are not listed for hearing but for determination. Seventy five per cent of the applications decided in 2016-2017 were finalised without an oral hearing, compared with 65 per cent in 2015-2016.

Ninety eight per cent of the applications for leave or special leave to appeal decided by the Court during the reporting year were completed within nine months of filing, the figure for 2015-2016 was 95 per cent.

Year of filing	Number of SLAs filed
2012/13	458
2013/14	508
2014/15	470
2015/16	536
2016/17	498

Year of determination	Granted	Refused	Other ¹
2012/13	44	375	42
2013/14	54	418	46
2014/15	52	376	48
2015/16	53	402	59
2016/17	69	414	34

Year of determination	Less Than 3 months	3 to 6 months	6 to 9 months	9 to 12 months	Over 12 months
2012/13	32	248	96	31	12
2013/14	7	345	91	18	11
2014/15	30	282	89	21	6
2015/16	58	294	81	18	4
2016/17	138	278	55	7	5

Appeals

Of the 68 appeals filed in 2016-2017 8 were appeals as of right from the Supreme Court of Nauru.

Ninety three per cent of the appeals decided by the Court during the reporting year were completed within nine months of filing;

the figure for 2015-2016 was also 93 per cent. In the period two appeals were granted by consent without a hearing, and one was dismissed at the conclusion of the hearing with reasons to follow. In one appeal the Court revoked special leave. The determination figures have been adjusted to include these as final outcomes.

Year of filing	Number of Appeals filed
2012/13	38
2013/14	45
2014/15	53
2015/16	51
2016/17	68

Year of determination	Allowed	Dismissed	Other
2012/13	33	25	1
2013/14	27	23	1
2014/15	33	13	0
2015/16	21	23	1
2016/17	34	23	0

¹ Includes matters discontinued and deemed abandoned

Year of determination	Less Than 3 months	3 to 6 months	6 to 9 months	9 to 12 months	Over 12 months
2012/13	4	16	15	19	4
2013/14	8	25	9	3	5
2014/15	2	27	16	1	0
2015/16	2	27	12	3	0
2016/17	5	32	16	4	0

Original Jurisdiction

Cases commenced in the original jurisdiction are generally listed before a single Justice of the Court in the first instance. Not all cases filed in the original jurisdiction proceed to be considered by the Full Court. Some cases are remitted to another Court for trial pursuant to section 44 of the *Judiciary Act*. In 2016-2017, the Full Court published judgments in 7 cases filed in the original jurisdiction. The Full Court

also pronounced orders by consent disposing of another matter.

The Court sits as the Court of Disputed Returns to try petitions disputing the validity of elections or returns of persons to the House of Representatives or the Senate. In addition to one election petition the Court considered two references by the Senate pursuant to s 376 of the *Commonwealth Electoral Act* 1918 (Cth) in the period.

Year of filing	Writs of Summons	Constitutional Writs	Electoral	Removals	Cause Removed	Other
2012/13	8	84	0	14	2	14
2013/14	20	31	4	8	3	11
2014/15	60	89	0	14	1	11
2015/16	12	168	0	13	1	14
2016/17	8	92	3	7	1	18

Elapsed time for original jurisdiction matters dealt with by the Full Court.

Year of determination	Less Than 3 months	3 to 6 months	6 to 9 months	9 to 12 months	Over 12 months
2012/13	1	5	3	2	4
2013/14	1	1	3	2	1
2014/15	0	0	7	4	3
2015/16	2	6	4	1	1
2016/17	3	2	1	1	1

B. JUDICIAL LEADERSHIP ACTIVITIES

Council of Chief Justices of Australia and New Zealand

The Council of Chief Justices of Australia and New Zealand comprises the Chief Justices of the High Court, the Federal and Family Courts and the Supreme Courts of each of the States and Territories, together with the Chief Justice of New Zealand. The objects of the Council are to:

- provide a forum within which its members may discuss matters of common concern and exchange information and advice
- advance and maintain the rule of law and the independence of the judiciary in Australia and New Zealand
- advance and maintain the principle that Australian Courts together constitute a national judicial system operating within a federal framework, and
- ensure that its members are aware of proposals by and developments within governments and the legal profession relevant to the preceding objects.

Through reports it receives from the National Judicial College, the Judicial Council on Cultural Diversity and the Law Admissions Consultative Committee, it has an overview function in relation to judicial education, cultural diversity awareness relevant to access to justice and legal education, practical legal training and admission standards. It also promotes the harmonisation of court rules around Australia through its Harmonisation Committee.

As previously mentioned, the Chief Justice of Australia chairs the Council and the CE&PR

is its Secretary. Two meetings of the Council of Chief Justices of Australia and New Zealand were held during the year: in Perth in November 2016; and in Brisbane in April 2017.

International

The regional activity of the Court is intended to promote a coordinated approach to engagement by the whole Australian judiciary on the basis that such activities should enhance Australia's bi-lateral and multi-lateral interests in the region.

In late-2016, the LAWASIA Executive agreed to a proposal from Justice Bell, Chair of the Secretariat of the APJRF, for APJRF in future to schedule its biennial roundtable meetings to coincide (in time and place) with alternate annual conferences of LAWASIA. The first of these is to take place in late-2018 in Cambodia.

In April 2017, the Council of Chief Justices of Australia and New Zealand decided to establish an International Working Group of the Council. The role of which is to develop objectives and strategies for international judicial contact and exchange, as well as priorities, having regard to Australia's national interests. It will also consider strategies for informing governments on the role and capacity of the Australian judiciary in the provision of overseas judicial assistance. The Working Group comprises Chief Justice Kiefel (Chair), and the Chief Justices of NSW, the Federal Court and the ACT, with administrative support provided by the CE&PR.

In August 2017, Justice Bell (representing the Chief Justice) and the CE&PR participated in a meeting of Chief Justices attending the LAWASIA conference in Colombo, Sri Lanka during which a Declaration was signed, among other things reaffirming the 'Beijing Statement of Principles of the Independence of the Judiciary in the LAWASIA Region.' Justice Bell and the CE&PR also met with judges of the Supreme Court and Court of Appeal of Sri Lanka.

In September 2016, Chief Justice French led an Australian judicial delegation to Beijing and Shanghai at the invitation of the President of the Supreme People's Court of the People's Republic of China. The official members of the delegation included Justice Kiefel and the CE&PR from the High Court, Chief Justice Allsop of the Federal Court of Australia and Ms Fiona McLeod SC, President Elect of the Law Council of Australia. The visit laid the foundation for continuing exchanges between the judiciaries of the People's Republic of China and Australia. A Letter of Exchange was signed between the President of the Supreme People's Court and Chief Justice French. The most important outcome of the discussions during the visit was the identification of areas in which the Australian and Chinese judiciaries had common interests. They included judicial education in areas of substantive law with transnational significance including insolvency, intellectual property, competition law and maritime law. Mutual assistance between courts in these areas was also discussed.

In May 2017, the Court hosted the visit by a delegation of senior Chinese judges led by the Hon Mr Shen Deyong, Executive Vice President of the Supreme People's Court, in Melbourne, Canberra and Sydney. The CE&PR and staff managed the visit. Its focus was on reforms, implemented and proposed, to the laws of evidence in China, in criminal and civil law and on which the delegation sought to have the benefit of Australian judicial experience and the opinions of experienced judges. Justices of the High Court, the Supreme Courts of Victoria, NSW and the ACT, and the Federal Court, participated in several meetings with the Chinese delegation.

From 31 May to 3 June 2017, Chief Justice Kiefel and Justices Gageler and Nettle participated in the Asia Pacific Colloquium, hosted by the Supreme Court of Canada in Vancouver. The Supreme Courts of New Zealand and Singapore, and the Court of Final Appeal of Hong Kong, also participated.

During the year, the Court also welcomed a number of international visitors, including delegations of judges, senior lawyers, court administrators, parliamentarians, government officials, consular officials, lawyers and law students from Japan, the People's Republic of China, Laos, Thailand, Singapore, and the United Arab Emirates.

C. PUBLIC INFORMATION AND EDUCATION

The Court's public education and visitor programs have continued with a view to enhancing awareness of its constitutional role and the rule of law. The Court provides extensive information on its website, publishes summaries of its judgments and offers specialised educational programs and activities in the High Court building in Canberra.

The High Court makes available, via its website, comprehensive information about the work of the Court. This includes transcripts of hearings, judgments, case summaries, judgment summaries, special leave dispositions, the High Court bulletin, business and court lists, speeches by present and former Justices, and information about the art and architecture of the building. The parties' submissions in Full Court matters are also available on the Court's website, as are audio-visual recordings of all Full Court hearings in Canberra.

In 2016-2017, there were 78,000 visitors to the Court, including 34,000 school students.

During 2016-2017 the Court continued to improve the provision and accessibility of information about the work of the Court and to encourage the use of the High Court building as a civic space. Activities included:

- The continued recruitment, development and training of the Court Guide team, which conducts tours of the High Court building and its courtrooms, and provides information to visitors and school groups on the role, history and architecture of the Court. The Court has engaged a number of law students to work as Court Guides, and this has proven particularly popular with school students. In 2016-2017, the Court had approximately 750 school groups visit from across Australia

- Justice Gageler AC presided over the Jessup Moot Grand Final in Courtroom 1, the pre-eminent moot for law students around Australia. Former Justice of the Court, the Hon William Gummow AC, presided over the Australian Law Student's Association Moot, and former Justices of the Court, the Hon William Gummow AC, the Hon Ian Callinan AC QC and the Hon Susan Crennan AC QC presided over the Sir Harry Gibbs moot in the High Court in Melbourne
- The Annual High Court Public Lecture was delivered by the Hon Nicholas Hasluck AO QC, introduced by Chief Justice French, on 5 October 2016 on the topic "The Awkward Question: Will it Write?"
- The Court hosted the official dinner for the National Schools Constitutional Convention
- Justice Gageler AC chaired the judging panel of the Governor-General's prize, an annual essay competition open to all Australian citizens and permanent residents enrolled in an undergraduate degree at an Australian university.

In 2016-2017, following negotiations between the CE&PR and the Constitution Education Fund of Australia (CEFA), the Court agreed to the establishment of the Australian Constitution Centre at the High Court in Canberra in conjunction with CEFA. Government funding of \$650,000 has been made available. In addition, the Court has made modifications to the former cafeteria area to enhance exhibition space. The Centre will explore and explain the Australian Constitution, its history and its contemporary relevance through engaging and innovative exhibits, supported by its own website. It is anticipated that the Centre will open in April 2018.

The Court has continued to make available the Public Hall with its wonderful acoustics for Sunday concerts. These concerts take place on one or two Sundays of each month and are free of charge. Each concert has been attended at near or full capacity, and performances have ranged across chamber, choral and solo works. These concerts have attracted over 10,000 visitors to the Court who, in addition to enjoying the performances, are able to take a tour of the Court and learn about its role and history. The Court has continued to host exhibitions and other events by embassies and cultural communities in its Canberra building.

The High Court's website is the primary source of information concerning the work of the Court. In 2016-2017, there were over 1.3

million visitors to the website. Commencing in late-2013, the Court has published audio-visual recordings of Full Court hearings, ordinarily at the end of each sitting day. There has been a significant uptake of this service with almost 50,000 hits during 2016-2017. There has also been significant interest in the written submissions of parties in Full Court matters, published on the Court's website, with approximately 61,000 hits. The Court's subscription services alert subscribers to upcoming judgments, case summaries, judgment summaries and publications. At the end of 2016-2017 there were approximately 31,000 subscribers to these services. This has been particularly useful for the media in staying abreast of the business of the Court.



D. ADMINISTRATIVE OUTCOMES AND ACTIVITIES

Fees

Regulation 11 of the *High Court of Australia (Fees) Regulation 2012* provides that persons in receipt of legal aid, persons who hold a concession card issued by Centrelink or the Department of Veterans' Affairs, persons in public detention, children under the age of 18, persons in receipt of youth allowance, an Austudy payment or in receipt of benefits under the ABSTUDY scheme and persons granted assistance under Part 11 of the *Native Title Act 1993* are eligible for a full exemption from paying filing and hearing fees associated with the proceedings in the High Court.

Where, in the opinion of a Registrar, the payment of the fee payable by an individual would cause financial hardship to the individual, the Registrar may determine that the person may instead pay a reduced fee

(specified in Schedule 1 as the financial hardship fee). A refusal by a Registrar to make such a determination may be reviewed by the Administrative Appeals Tribunal. There were no refusals during the reporting period.

During the reporting year 674 cases attracting a filing fee and/or hearing fees were filed in the Court. In 225 of these, or 33 per cent of cases, the person liable to pay the fee was exempt from paying fees. In addition, financial hardship determinations were made in another 157, or 23 per cent, of the cases. The filing and hearing fees foregone in these 382 cases for the entire period amounted to \$792,710. The composition of this total is shown in the following table.

Record of fees foregone 2016-2017

Reasons for non-payment	Regulation	No.	Amount (\$)
Legal Aid (exemption)	11(1)(a)	19	\$16,360
Holder of a concession card (exemption)	11(1)(b)	109	\$294,130
Person in public detention (exemption)	11(1)(c)	97	\$181,615
Child under the age of 18 years (exemption)	11(1)(d)	0	0
Youth allowance, Austudy payment recipient or ABSTUDY recipient (exemption)	11(1)(e)	0	0
Recipient of assistance under Native Title Act (exemption)	11(1)(f)	0	0
Financial hardship (waiver of two-thirds fee)	12	157	\$300,605
TOTAL		382	\$792,710

Register of Practitioners

All legal practitioners in Australia who wish to practise in federal courts or State or Territory courts exercising federal jurisdiction are required to have their names entered in the Register of Practitioners maintained by the CE&PR in Canberra. The Registry provides an information service to practitioners advising them of their entitlement to practise in federal courts, the procedure for having their name entered on the register and, if required, providing them with certificates of good standing to enable them to seek admission in other jurisdictions. The names of 2,784 new practitioners were added to the register in 2016-2017.

Resource management

The Court's estimates for 2016-2017 were reported in the Attorney-General's Portfolio Budget Statements. The audited financial results for 2016-2017 are in Part 5. In 2016-2017, income including revenue from appropriations, amounted to \$18.743m, and operating expenses were \$22.719m, resulting in a deficit of \$3.976m. The Court's underlying operating result (excluding unfunded depreciation, assets transferred to the Court and one-off project contributions recognised as revenue) was a surplus of \$0.029m. In 2016-2017 the Court received an equity injection of \$3.972m including departmental capital budget.

The Court has a small administration. Its total staff as at 30 June 2017 (not including Justices), comprised 102 employees, about a third of whom were ongoing employees (of the others, 37 were non-ongoing and 30 were casual employees). The full time equivalent number of employees in 2016-2017 was 73.

Court staff not only provide the administrative and registry services necessary for the operation of the Court but also manage a large public building which receives tens of thousands of visitors from around Australia each year. The Court also maintains public registry counters in Sydney and Melbourne and staffs chambers in four States. Further details are set out in Part 6.

Section 43 of the Act provides for the Auditor-General annually to inspect and audit the accounts and records of the financial transactions of the Court and to draw the attention of the Attorney-General to any irregularity disclosed by that inspection and audit. During 2016-2017 the Auditor-General did not conduct any performance audits involving the Court. Results of the Auditor-General's audit of the Court's 2016-2017 financial statements, which can be found at Part 5 of this report, were reported to the Attorney-General on 31 August 2017. The report was unqualified and there were no significant issues arising from the audit.

Section 47 of the Act requires the Court, as soon as practicable after 30 June in each year, to prepare and submit to the Attorney-General a report relating to the administration of the affairs of the Court under section 17 during the year that ended on that 30 June, together with financial statements in respect of that year in such form as the Finance Minister approves. The Court's *Annual Report 2015-2016* was submitted to the Attorney-General on 25 October 2016 and it was presented to the Parliament on 10 November 2016.

The Court's internal audits are performed by a contracted auditor. During 2016-2017 the internal auditor conducted reviews of:

- tax compliance - fringe benefits tax and goods and services tax
- on-boarding and payroll

During 2016-2017 the Court entered into 19 consultancy contracts with a total value of \$515,042 (including GST). Contracts with a total value of \$10,000 or more (including GST) were:

Name	Description	Contract Price
Architectus Brisbane Pty Ltd	Architectural and project management services for refurbishment of Brisbane Commonwealth Law Courts Building	\$183 700
Integrated Space Pty Ltd	Architectural services for the refurbishment of the administration level	61 138
Spackman Mossop Michaels	Security landscaping master plan	48 950
Integrated Space Pty Ltd	Architectural services for relocation of security centre	46 717
Steensen Varming Pty Ltd	Engineering design services for the replacement of the heating, ventilation and air-conditioning system	33 000
Sellick Consultants Pty Ltd	Glazing integrity review	26 950
AECOM Australia Pty Ltd	Physical security risk assessment	20 625
Steensen Varming Pty Ltd	Refurbishment design and documentation	16 579
O'Connor Marsden	Internal audit services	15 278
GHD Pty Ltd	Certification of new fire mode matrix	13 035
Ionize Pty Ltd	Information security risk assessment	13 200
Peter Tinslay	Library collection valuation	11 000

During 2016-2017 the Court did not enter into any contract with a value greater than \$1m requiring approval from the Attorney-General.

The Court provides a comprehensive first day induction program. All new staff complete online training modules for work, health and safety, workplace diversity and workplace behaviours.

During 2016-2017 the Court provided training in the following areas:

- code of conduct
- bullying and harassment
- mental health essentials
- electronic records management
- first aid.

Throughout 2016-2017 the Court continued to review and update work health and safety policies and procedures in consultation with staff. During 2016-2017 the Work, Health and Safety (WH&S) Committee met four times. This Committee provides an opportunity for employees to raise any issues they have about personal and workplace safety. Designated Workplace Representatives are encouraged to consult within their areas prior to and after Committee meetings. Information about the Court's health and safety arrangements, WH&S Committee minutes and a register of issues can be accessed by employees from the Court's intranet.

The Court is undertaking an office furniture replacement programme. The court has replaced office chairs, courtroom chairs and office desks.

Initiatives undertaken during 2016-2017 to promote the health, safety and welfare at work of employees, contractors and visitors included:

- influenza vaccinations
- workstation assessments
- lunch time wellbeing information sessions covering nutrition, superannuation and stroke awareness

- participating in the Global Corporate Challenge Programme to promote healthy levels of physical activity
- encouraging staff to use services provided by the Court's employee assistance provider.

During 2016-2017:

- there were no incidences that required the Court to provide information to Comcare under section 68 of the *Occupational Health and Safety Act 1991* (Cth) or section 36, 37 and 38 of the *Work Health and Safety Act 2011* (Cth)
- there were seven minor incidents
- no new workers compensation claims were made.

As at 30 June 2017 there were:

- two continuing workers compensation claims that relate to an injury prior to 1 July 2016
- no continuing workers compensation claim for an injury reported in 2016-2017
- no safety issues notified to the WH&S Committee which were unresolved.

Asset management

During 2016-2017 the Court:

- completed the replacement of the fire indicator panel, smoke detection and emergency and warning intercom system
- commenced the upgrade of emergency lighting
- reviewed and updated building fire compartments documentation
- updated the Asbestos-Containing Material Register
- completed maintenance of all court room timber walls.

During 2016-2017 the Court commenced a major project to upgrade the building

Heating, Ventilation and Air Conditioning (HVAC) Services. As the value of this contract exceeded \$1m, during 2015-2016 the Court sought and received approval from the Attorney-General to enter into the contract.

The head contractor is accredited by the Office of the Federal Safety Commissioner and is required to comply with the Building Code 2014 and the Supporting Guidelines to the Building Code 2014.

During the demolition of ceilings in May 2017, the contractor uncovered non-respirable asbestos dust particles which were not on the Court's Asbestos-Containing Material Register. This required an increase to the scope of works to safely and completely remove all hazardous material. To fund the increased scope, the Court has deferred some portions of the work until 2018-2019.

The Court building is included in the National and Commonwealth Heritage Lists for its outstanding heritage value to the nation. The Court seeks heritage impact assessments before undertaking works that affect the heritage values of the Court building and precinct.

During 2016-2017 a number of conservation activities were undertaken to ensure that the Court's art collection is kept in appropriate condition.

Risk, security and emergency management

During 2016-2017 the Court:

- conducted a protective security policy framework compliance assessment
- conducted a physical security risk assessment
- assessed risks for building projects.

The Court's Fraud Risk Assessment and Fraud Control Plan are undertaken and updated in

accordance with the *Commonwealth Fraud Control Framework* 2014. There was no reported allegation of fraud during 2016-2017.

The Court has a Memorandum of Understanding with the Australian Federal Police for Protective Security Officers to be present in the Court building when the Court building is open to the public.

During 2016-2017 the Court:

- reviewed and updated the Emergency Response Plan (ERP)
- reviewed and updated the security risk assessment and prepared a security management plan
- completed the installation of new security bollards.

The Emergency Planning Committee met in accordance with the requirements of AS 3745-2010 and endorsed the updated ERP and proposed training schedule.

Other building and security projects undertaken in 2016-2017 include:

- replacing the public entrance doors providing access from the forecourt
- replacing the external building façade lighting
- commencing the replacement of CCTV cameras and electronic access control systems.

Knowledge management

Library staff members assist with reference and research queries from the Justices and their staff. These can range from providing a case or early colonial act to researching legislative history. Reference assistance is also provided to counsel when they appear before the Court. During 2016-2017 the Library staff completed over 478 reference and research requests.

The Library is responsible for the coordination, production and distribution of authorities relied upon by counsel during oral argument in Court for Canberra sittings. During 2016-2017, the Library provided authorities to the Justices for 53 hearings. Library staff continued to provide fully searchable and paginated electronic copies of all authorities for use by the Justices and their associates, together with printed copies of material not held in chambers. The Legislation Officer continued to coordinate the provision to Chambers of full copies of legislation considered relevant to forthcoming cases by the Legal Research Officer.

Over 400 inter-library loans were processed by the Library during 2016-2017.

The Court continues to use the SirsiDynix Integrated Library System (ILS) as a partner in a consortium with the Federal Court of Australia, the NSW Law Courts Library, the Supreme Court of Victoria, and the South Australian Courts Administration Authority Library (which migrated its data in 2016-2017).

The Court's library holdings in Canberra total 150,213 volumes with 1,123 volumes added in 2016-2017. In conjunction with the other court libraries in the ILS consortium, joint purchasing agreements for electronic products and books have been negotiated with two publishers/suppliers. This has resulted in cost savings and the availability of a greater range of titles.

The Library makes the following publications available online:

- *High Court Bulletin* with its full archive published on AustLII and BarNet
- *New Library Books*, published on the Court's website
- *Overseas Decisions Bulletin*, which includes decisions of the Supreme Court of the United Kingdom, the Supreme Court of Canada, the Supreme Court of the United

States, the Constitutional Court of South Africa, the Supreme Court of New Zealand and the Hong Kong Court of Final Appeal. Admiralty, arbitration and constitutional decisions of the Court of Appeal of Singapore are also included. These bulletins are published on the Court's website and alerts are available enabling the legal profession and wider public to subscribe.

The High Court Judgments Database continues to be well used with a 132% increase in sessions recorded over the previous year. A number of older judgments have been added to the Unreported Judgments database in the historical resources section. Additional material covering biographical material, articles written by or about High Court Justices as well as speeches is currently being prepared for the historical resources section of the database.

Information management

During 2016-2017 the Court:

- upgraded and expanded its server and storage infrastructure, with 100% virtualisation where practical
- installed a new IP-based PABX in the High Court building
- commenced planning to migrate email and calendar applications and to upgrade the desktop operating system and core Office applications
- purchased new multi-function devices
- negotiated new telecommunication plans for mobile devices
- commenced technology-planning for new accommodation in Brisbane
- used whole of government contracts to achieve cost savings for computers, contractors, national long distance calls, mobile charges, multifunction devices, and printers.



PART 5
FINANCIAL STATEMENTS

PART 5
FINANCIAL STATEMENTS



INDEPENDENT AUDITOR'S REPORT

To the Attorney-General

Opinion

In my opinion, the financial statements of the High Court of Australia for the year ended 30 June 2017:

- (a) are based on proper accounts and records;
- (b) are in the form approved by the Finance Minister under the *High Court of Australia Act 1979*, including;
 - (i) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
 - (ii) presenting fairly the financial position of the High Court of Australia as at 30 June 2017, and its financial performance and cash flows for the year then ended.

Further, in my opinion, the receipt, expenditure and investment of moneys, and the acquisition and disposal of assets by the High Court of Australia during the year ended 30 June 2017 have been, in all material respects, in accordance with the *High Court of Australia Act 1979*.

The financial statements of the High Court of Australia, which I have audited, comprise the following statements as at 30 June 2017 and for the year then ended:

- Statement by the Chief Executive and Chief Financial Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement;
- Administered Schedule of Comprehensive Income;
- Administered Schedule of Assets and Liabilities;
- Administered Reconciliation Schedule;
- Administered Cash Flow Statement; and
- Notes to and forming part of the financial statements, comprising significant accounting policies and other explanatory information.

Basis for Opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the High Court of Australia in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Accountable Authority's Responsibility for the Financial Statements

As the Accountable Authority of the High Court of Australia the Chief Executive and Principal Registrar is responsible under the *High Court of Australia Act 1979* for the preparation and fair presentation of annual financial statements that comply with the form approved by the Finance Minister, being the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* which incorporates the Australian Accounting Standards – Reduced Disclosure Requirements. The Chief Executive and Principal Registrar is also responsible for keeping proper accounts and records of the transactions and affairs relating to the administration of the affairs of the High Court of Australia and for such internal control as the Chief Executive and Principal

Registrar determines is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chief Executive and Principal Registrar is responsible for assessing the High Court of Australia's ability to continue as a going concern, taking into account whether the entity's operations will cease as a result of an administrative restructure or for any other reason. The Chief Executive and Principal Registrar is also responsible for disclosing matters related to going concern as applicable and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

Auditor's Responsibilities for the Audit of the Financial Statements

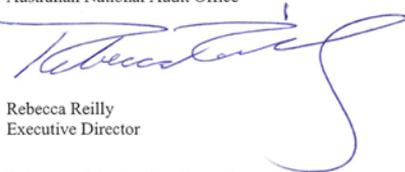
My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Rebecca Reilly
Executive Director

Delegate of the Auditor-General
Canberra

31 August 2017

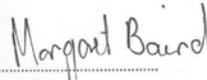
High Court of Australia**STATEMENT BY THE CHIEF EXECUTIVE AND CHIEF FINANCIAL OFFICER**

In our opinion, the attached financial statements for the year ended 30 June 2017 are based on properly maintained financial records and are in the form approved by the Finance Minister under section 47(1) of the *High Court of Australia Act 1979*. The statements comply with the Australian Accounting Standards and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Court will be able to pay its debts as and when they fall due.

Signed.....

Andrew Phelan
Chief Executive & Principal Registrar
High Court of Australia
31 August 2017

Signed.....

Margaret Baird
Chief Financial Officer
High Court of Australia
31 August 2017

High Court of Australia
STATEMENT OF COMPREHENSIVE INCOME
for the period ended 30 June 2017

	Notes	2017 \$	2016 \$	Original Budget 2017 \$
NET COST OF SERVICES				
Expenses				
Employee benefits	1.1A	8,279,050	8,446,124	8,513,000
Suppliers	1.1B	7,982,245	8,124,274	7,667,000
Depreciation and amortisation	3.2A	6,365,357	5,890,260	5,900,000
Write-down and impairment of assets	1.1C	92,347	48,435	-
Losses from asset sales		371	-	-
Total expenses		22,719,370	22,509,093	22,080,000
Own-Source Income				
Own-source revenue				
Sale of goods and rendering of services	1.2A	288,336	286,213	155,000
Interest		258,614	355,066	280,000
Resources received free of charge	1.2B	2,307,928	2,186,065	2,193,000
Other revenues	1.2C	1,135,599	80,875	180,000
Reversal of impairment		-	640	-
Total own-source revenue		3,990,477	2,908,859	2,808,000
Gains				
Other gains	1.2D	1,380,986	9,700	850,000
Total gains		1,380,986	9,700	850,000
Total own-source income		5,371,463	2,918,559	3,658,000
Net (cost of) services		(17,347,907)	(19,590,534)	(18,422,000)
Revenue from Government	1.2E	13,372,000	13,312,000	13,372,000
(Deficit) attributable to the Australian Government		(3,975,907)	(6,278,534)	(5,050,000)
OTHER COMPREHENSIVE INCOME				
Changes in asset revaluation surplus		7,556,982	4,474,441	-
Total other comprehensive income		7,556,982	4,474,441	-
Total comprehensive surplus/(loss)		3,581,075	(1,804,093)	(5,050,000)
Total comprehensive surplus/(loss) attributable to the Australian Government		3,581,075	(1,804,093)	(5,050,000)

The above statement should be read in conjunction with the accompanying notes.

Budget Variances Commentary

Statement of Comprehensive Income

Variance explanations can be found on page 44.

High Court of Australia
STATEMENT OF FINANCIAL POSITION
as at 30 June 2017

	Notes	2017 \$	2016 \$	Original Budget 2017 \$
ASSETS				
Financial assets				
Cash and cash equivalents	3.1A	1,956,580	2,423,272	2,843,000
Trade and other receivables	3.1B	399,968	221,487	186,000
Other investments	3.1C	6,000,000	9,500,000	6,636,000
Total financial assets		8,356,548	12,144,759	9,665,000
Non-financial assets				
Land and buildings	3.2A	198,993,010	188,699,663	185,254,000
Property, plant and equipment	3.2A	17,103,341	15,999,035	16,531,000
Heritage and cultural	3.2A	4,467,817	4,423,840	4,414,000
Intangibles	3.2A	120,178	123,270	205,000
Other non-financial assets	3.2B	208,200	110,119	150,000
Total non-financial assets		220,892,546	209,355,927	206,554,000
Total assets		229,249,094	221,500,686	216,219,000
LIABILITIES				
Payables				
Suppliers	3.3A	634,126	223,340	275,000
Other payables	3.3B	221,939	156,339	218,000
Total payables		856,065	379,679	493,000
Provisions				
Employee provisions	6.1	2,348,137	2,629,190	2,850,000
Total provisions		2,348,137	2,629,190	2,850,000
Total liabilities		3,204,202	3,008,869	3,343,000
Net assets		226,044,892	218,491,817	212,876,000
EQUITY				
Contributed equity		91,502,598	87,530,598	91,503,000
Reserves		176,774,996	169,218,014	164,743,000
Retained surplus (accumulated deficit)		(42,232,702)	(38,256,795)	(43,370,000)
Total equity		226,044,892	218,491,817	212,876,000

The above statement should be read in conjunction with the accompanying notes.

Budget Variances Commentary

Statement of Financial Position

Variance explanations can be found on page 44.

High Court of Australia
STATEMENT OF CHANGES IN EQUITY
for the period ended 30 June 2017

	2017	2016	Original Budget 2017
	\$	\$	\$
CONTRIBUTED EQUITY			
Opening balance			
Balance carried forward from previous period	87,530,598	83,560,598	87,531,000
Adjusted opening balance	87,530,598	83,560,598	87,531,000
Transactions with owners			
Contributions by owners			
Equity injection - appropriation	1,450,000	1,450,000	1,450,000
Departmental capital budget	2,522,000	2,520,000	2,522,000
Total transactions with owners	3,972,000	3,970,000	3,972,000
Closing balances as at 30 June	91,502,598	87,530,598	91,503,000
RETAINED EARNINGS			
Opening balance			
Balance carried forward from previous period	(38,256,795)	(31,978,261)	(38,320,000)
Adjusted opening balance	(38,256,795)	(31,978,261)	(38,320,000)
Comprehensive income			
Surplus / (Deficit) for the period	(3,975,907)	(6,278,534)	(5,050,000)
Total comprehensive income	(3,975,907)	(6,278,534)	(5,050,000)
Closing balances as at 30 June	(42,232,702)	(38,256,795)	(43,370,000)

High Court of Australia
STATEMENT OF CHANGES IN EQUITY
for the period ended 30 June 2017

	2017	2016	Original Budget 2017
	\$	\$	\$
ASSET REVALUATION RESERVE			
Opening balance			
Balance carried forward from previous period	169,218,014	164,743,573	164,743,000
Adjusted opening balance	169,218,014	164,743,573	164,743,000
Comprehensive income			
Other comprehensive income	7,556,982	4,474,441	-
Total comprehensive income	7,556,982	4,474,441	-
Closing balances as at 30 June	176,774,996	169,218,014	164,743,000
TOTAL EQUITY			
Opening balance			
Balance carried forward from previous period	218,491,817	216,325,910	213,954,000
Adjusted opening balance	218,491,817	216,325,910	213,954,000
Comprehensive income			
Other comprehensive income	7,556,982	4,474,441	-
Surplus / (Deficit) for the period	(3,975,907)	(6,278,534)	(5,050,000)
Total comprehensive income	3,581,075	(1,804,093)	(5,050,000)
Transactions with owners			
Contributions by owners			
Equity injection - appropriation	1,450,000	1,450,000	1,450,000
Departmental capital budget	2,522,000	2,520,000	2,522,000
Sub-total transactions with owners	3,972,000	3,970,000	3,972,000
Closing balances as at 30 June	226,044,892	218,491,817	212,876,000

The above statement should be read in conjunction with the accompanying notes.

Accounting Policy

Equity Injections

Amounts appropriated which are designated as 'equity injections' for a year and Departmental Capital Budgets (DCBs) are recognised directly in contributed equity in that year.

Budget Variances Commentary Statement of

Changes in Equity

Variance explanations can be found on page 44

High Court of Australia
CASH FLOW STATEMENT
for the period ended 30 June 2017

		2017	2016	Original Budget 2017
	Notes	\$	\$	\$
OPERATING ACTIVITIES				
Cash received				
Appropriations		13,372,000	13,312,000	13,372,000
Sale of goods and rendering of services		322,305	318,670	155,000
Interest		268,014	358,990	280,000
Net GST received		1,250,821	767,491	800,000
Other		935,599	80,875	180,000
Total cash received		16,148,739	14,838,026	14,787,000
Cash used				
Employees		8,494,750	8,519,585	8,513,000
Suppliers		6,955,769	6,798,149	6,274,000
Total cash used		15,450,519	15,317,734	14,787,000
Net cash from/(used by) operating activities	5.3	698,220	(479,708)	-
INVESTING ACTIVITIES				
Cash received				
Proceeds from sales of property, plant and equipment		9,275	-	-
Investments		3,500,000	-	2,712,000
Total cash received		3,509,275	-	2,712,000
Cash used				
Purchase of infrastructure, plant and equipment		8,646,187	4,409,831	6,684,000
Total cash used		8,646,187	4,409,831	6,684,000
Net cash from/(used by) investing activities		(5,136,912)	(4,409,831)	(3,972,000)
FINANCING ACTIVITIES				
Cash received				
Capital injection		3,972,000	3,970,000	3,972,000
Total cash received		3,972,000	3,970,000	3,972,000
Net cash from/(used by) financing activities		3,972,000	3,970,000	3,972,000
Net increase/(decrease) in cash held		(466,692)	(919,539)	-
Cash and cash equivalents at the beginning of the reporting period		2,423,272	3,342,811	2,843,000
Cash and cash equivalents at the end of the reporting period	5.3	1,956,580	2,423,272	2,843,000

The above statement should be read in conjunction with the accompanying notes.

High Court of Australia
BUDGET VARIANCES COMMENTARY
for the period ended 30 June 2017

Explanation of Major Variances	Affected line item
Depreciation and amortisation expenses are higher than the original budget, with a variation of \$465,357 or 7.9%. This variation is as a consequence of a number of factors including the increase in the value of the Court's building assets following revaluation as at 30 June 2016, variances in the timing of the commissioning of new assets compared to budget assumptions and the reduction in the estimated useful life of the library collection which came into effect after the original budget was completed.	Depreciation and amortisation expense (statement of comprehensive income)
Other revenue is higher than the original budget, with a variance of \$955,599. The variance is a consequence of a \$375,000 contribution received from the Attorney General's Department for refurbishment works in the Court's Brisbane premises and \$650,000 in contributions from a number of Government Agencies for the development of a Constitutional Education Centre at the High Court Building in Canberra. These projects were at concept stage at the time the budget was finalised.	Other revenue (statement of comprehensive income) Other cash received (cash flow statement)
Other gains are higher than the original budget with a variation of \$530,986 or 62.5%. On 1 July 2016, Law Courts Limited transferred property, plant and equipment assets to the High Court of Australia. No consideration was paid for the assets however following the transfer the High Court assumed responsibility for maintaining and replacing these assets. The value of the assets transferred was based on a formal independent valuation and the value recorded in the original budget was a preliminary estimate only.	Other gains (statement of comprehensive income)
Cash and cash equivalents and other investments are lower than the original budget, with a variation of \$886,420 or 31.2% and \$636,000 or 9.6% respectively. This variance is a result of a higher level of capital expenditure than budgeted. Capital expenditure was higher due to a number of factors including a decision to buy rather than lease office equipment, the bringing forward of scheduled furniture replacement for health and safety reasons and the final contract price for the replacement of heating, ventilation and air-conditioning system was higher than original budget estimate.	Cash and cash equivalents, Other investments, Property, plant and equipment (statement of financial position) Cash received from investments, Purchase of infrastructure, plant and equipment (cash flow statement)
Land and Buildings are higher than original budget with a variation of \$13,739,010 or 7.4%. The Court commissioned two revaluations since the original budget was finalised. The first valuation in June 2016 resulted in increment of \$4,337,179 and the second in June resulted in an increment of \$7,691,970.	Land and buildings, Reserves (statement of financial position) Asset revaluation reserve (statement of changes in equity)

High Court of Australia
ADMINISTERED SCHEDULE OF COMPREHENSIVE INCOME
for the period ended 30 June 2017

	Notes	2017 \$	2016 \$	Original Budget 2017 \$
Income				
Revenue				
Non-taxation revenue				
Sale of goods and rendering of services	2.1	<u>2,000,850</u>	<u>1,924,680</u>	<u>1,840,000</u>
Total non-taxation revenue		<u>2,000,850</u>	<u>1,924,680</u>	<u>1,840,000</u>
Total income		<u>2,000,850</u>	<u>1,924,680</u>	<u>1,840,000</u>
Total comprehensive income		<u>2,000,850</u>	<u>1,924,680</u>	<u>1,840,000</u>

The above statement should be read in conjunction with the accompanying notes.

ADMINISTERED SCHEDULE OF ASSETS AND LIABILITIES
as at 30 June 2017

	Notes	2017 \$	2016 \$	Original Budget 2017 \$
ASSETS				
Financial Assets				
Cash and cash equivalents	4.1A	<u>2,737</u>	<u>39,937</u>	<u>-</u>
Total financial assets		<u>2,737</u>	<u>39,937</u>	<u>-</u>
Net assets/(liabilities)		<u>2,737</u>	<u>39,937</u>	<u>-</u>

The above statement should be read in conjunction with the accompanying notes.

High Court of Australia
ADMINISTERED RECONCILIATION SCHEDULE
for the period ended 30 June 2017

	2017	2016
	\$	\$
Opening assets less liabilities as at 1 July	39,937	1,183
Net (cost of)/contribution by services		
Income	2,000,850	1,924,680
Transfers (to)/from the Australian Government		
Appropriation transfers to OPA		
Transfers to OPA	<u>(2,038,050)</u>	<u>(1,885,926)</u>
Closing assets less liabilities as at 30 June	<u>2,737</u>	<u>39,937</u>

The above statement should be read in conjunction with the accompanying notes.

Accounting Policy

Administered Cash Transfers to and from the Official Public Account

Revenue collected by the Court for use by the Government rather than the Court is administered revenue. Collections are transferred to the Official Public Account (OPA) maintained by the Department of Finance. These transfers to and from the OPA are adjustments to the administered cash held by the Court on behalf of the Government and reported as such in the schedule of administered cash flows and in the administered reconciliation schedule.

ADMINISTERED CASH FLOW STATEMENT
for the period ended 30 June 2017

	2017	2016
Notes	\$	\$
OPERATING ACTIVITIES		
Cash received		
Fees and charges	2,000,850	1,925,863
Total cash received	<u>2,000,850</u>	<u>1,925,863</u>
Net cash from/ (used by) operating activities	<u>2,000,850</u>	<u>1,925,863</u>
Net increase (decrease) in cash held	<u>2,000,850</u>	<u>1,925,863</u>
Cash and cash equivalents at the beginning of the reporting period	39,937	-
Cash to Official Public Account		
Cash to OPA - other	<u>(2,038,050)</u>	<u>(1,885,926)</u>
Cash and cash equivalents at the end of the reporting period	4.1A <u>2,737</u>	<u>39,937</u>

The above statement should be read in conjunction with the accompanying notes.

High Court of Australia

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High Court of Australia

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Overview

The Basis of Preparation

The financial statements and notes are required by section 47 (1) of the *High Court of Australia Act 1979* (Cth) and are general purpose financial statements. Under section 47 (1) the financial statements are required to be in such a form as the Minister of Finance approves.

On that basis, the financial statements and notes have been prepared in accordance with:

- Financial Reporting Rule (FRR) for reporting periods ending on or after 1 July 2015, as amended; and
- Australian Accounting Standards and Interpretations – Reduced Disclosure Requirements issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

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

The financial statements are presented in Australian dollars and values are rounded to the nearest dollar unless otherwise specified. Unless alternative treatment is specifically required by an accounting standard or the FRR's, assets and liabilities are recognised in the statement of financial position when and only when it is probable that future economic benefits will flow to the Court or a future sacrifice of economic benefit will be required and the amounts of the assets or liabilities can be reliably measured. However, assets and liabilities arising under executor contracts are not recognised unless required by an accounting standard.

Unless alternative treatment is specifically required by an accounting standard, income and expenses are recognised in the Statement of Comprehensive Income when and only when the flow, consumption or loss of economic benefits has occurred and can be reliably measured.

Significant Accounting Judgement and Estimates

In the process of applying the accounting policies listed in this note, the Court has made the following judgements that have the most significant impact on the amounts recorded in the financial statements:

- The fair value of land and buildings has been taken to be the written down replacement cost as determined by an independent valuer. The Court's building is purpose-built and may in fact realise more or less in the market.

No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next accounting period.

Sale of Assets

Gains from disposal of assets are recognised when control of the asset has passed to the buyer.

Interest

Interest revenue is recognised using the effective interest method as set out in AASB 139 Financial Instruments: Recognition and Measurement.

Taxation

The Court is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST). Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

Reporting of Administered activities

Administered revenues, expenses, assets, liabilities and cash flows are disclosed in the schedule of administered items and related notes.

Except where otherwise stated, administered items are accounted for on the same basis and using the same policies as for departmental items, including the application of Australian Accounting Standards.

Events After the Reporting Period

No events have occurred after the reporting period that affect the Financial Statements.

High Court of Australia

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1. Financial Performance

This section analyses the financial performance of the High Court of Australia for the year ended 2017.

1.1. Expenses

	2017	2016
	\$	\$
Note 1.1A: Employee Benefits		
Wages and salaries	6,206,760	6,153,325
Superannuation		
Defined contribution plans	532,295	507,501
Defined benefit plans	645,987	574,322
Leave and other entitlements	562,196	886,932
Fringe Benefits Tax	331,812	324,044
Total employee benefits	8,279,050	8,446,124

Accounting Policy

Accounting policies for employee related expenses is contained in section 6. People and Relationships.

The salaries and allowances paid to the Chief Justice and other Justices of the Court are administered by the Attorney-General's Department through a special appropriation held by the Australian Public Service Commission. The Justices' salary and allowances are set by the Remuneration Tribunal and are not paid by the Court.

Note 1.1B: Suppliers

Goods and services supplied or rendered		
Property	3,499,041	3,562,439
Travel	1,047,561	1,027,567
Security	942,366	1,052,516
Information technology and communications	561,300	661,151
Electronic library subscriptions	427,291	403,682
Contractors and other consultants	319,430	268,001
Courier and freight charges	118,751	111,986
General insurance	96,731	111,995
External audit fees	55,000	55,000
Other	646,737	553,933
Total goods and services supplied or rendered	7,714,208	7,808,270
Goods supplied	390,972	269,431
Services rendered	7,209,206	7,538,839
Total goods and services supplied or rendered	7,600,178	7,808,270
Other suppliers expenses		
Operating lease rentals	126,707	166,022
Workers compensation expenses	141,330	149,982
Total other suppliers	268,037	316,004
Total suppliers	7,982,245	8,124,274
Leasing commitments		
The Court in its capacity as lessee under terms of a contract leases motor vehicles.		
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:		
Within 1 year	80,070	87,835
Between 1 to 5 years	22,302	71,811
Total operating lease commitments	102,372	159,646

High Court of Australia

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Accounting Policy

A distinction is made between finance leases and operating leases. Finance leases effectively transfer from the lessor to the lessee substantially all the risks and rewards incidental to ownership of leased assets. An operating lease is a lease that is not a finance lease. In operating leases, the lessor effectively retains substantially all such risks and benefits.

Where an asset is acquired by means of a finance lease, the asset is capitalised at either the fair value of the lease property or, if lower, the present value of minimum lease payments at the inception of the contract and a liability is recognised at the same time and for the same amount.

The discount rate used is the interest rate implicit in the lease. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are expensed on a straight-line basis which is representative of the pattern of benefits derived from the leased assets.

	2017	2016
	\$	\$
<u>Note 1.1C: Write-Down and Impairment of Assets</u>		
Impairment of property, plant and equipment	89,510	33,838
Impairment of buildings	2,504	7,190
Impairment of trade and other receivables	170	7,407
Impairment of intangibles	163	-
Total write-down and impairment of assets	92,347	48,435

High Court of Australia
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1.2. Own-Source Revenue and Gains

	2017	2016
Own-Source Revenue	\$	\$
Note 1.2A: Sale of Goods and Rendering of Services		
Sale of goods	48,210	42,682
Rendering of services	<u>240,126</u>	<u>243,531</u>
Total sale of goods and rendering of services	<u>288,336</u>	<u>286,213</u>

Accounting Policy

Revenue from the sale of goods is recognised when:

- the risks and rewards of ownership have been transferred to the buyer;
- the Court retains no managerial involvement nor effective control over the goods;
- the revenue and transaction costs incurred can be reliably measured; and
- it is probable that the economic benefits associated from the transaction will flow to the Court.

Revenue from rendering of services is recognised by reference to the stage of completion of contracts at the reporting date.

The revenue is recognised when:

- the amount of revenue, stage of completion and transaction costs incurred can be reliably measured; and
- the probable economic benefits with the transaction will flow to the Court.

The stage of completion of contracts at the reporting date is determined by reference to the proportion that costs incurred to date bear to the estimated total costs of the transaction.

Note 1.2B: Resources Received Free of Charge

Resources received free of charge		
Remuneration of auditors	55,000	55,000
Property operating cost	<u>2,252,928</u>	<u>2,131,065</u>
Total Resources received free of charge	<u>2,307,928</u>	<u>2,186,065</u>

Accounting Policy

Resources Received Free of Charge

Resources received free of charge are recognised as revenue when, and only when a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense. Resources received free of charge are recorded as either revenue or gains depending on their nature.

Note 1.2C: Other Revenue

Practitioner certificates	108,610	80,019
Other	<u>1,026,989</u>	<u>856</u>
Total other revenue	<u>1,135,599</u>	<u>80,875</u>

Gains

Note 1.2D: Other Gains

Assets recognised for the first time	1,341,777	9,700
Other	<u>39,209</u>	<u>-</u>
Total other gains	<u>1,380,986</u>	<u>9,700</u>

High Court of Australia

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Revenue from Government

2017	2016
\$	\$

Note 1.2E: Revenue from Government

Appropriations

Departmental appropriation	13,372,000	13,312,000
Total revenue from Government	13,372,000	13,312,000

Accounting Policy

Revenue from Government

Amounts appropriated for departmental appropriations for the year (adjusted for any formal additions and reductions) are recognised as Revenue from Government when the Court 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.

High Court of Australia

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

2. Income and Expenses Administered on Behalf of Government

This section analyses the activities that the High Court of Australia does not control but administers on behalf of the Government. Unless otherwise noted, the accounting policies adopted are consistent with those applied for departmental reporting.

2.1. Administered – Income

	2017	2016
Non-Taxation Revenue	\$	\$
Sale of Goods and Rendering of Services		
Rendering of services in connection with		
Filing and other hearing fees	1,943,550	1,838,085
Other	57,300	86,595
Total rendering of services	2,000,850	1,924,680
Total sale of goods and rendering of services	2,000,850	1,924,680

High Court of Australia

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

3. Financial Position

This section analyses the High Court of Australia's assets used to generate financial performance and the operating liabilities incurred as a result.

Employee related information is disclosed in the People and Relationships section.

3.1. Financial Assets

	2017	2016
	\$	\$
Note 3.1A: Cash and Cash Equivalents		
Cash on hand or on deposit	1,956,580	2,423,272
Total cash and cash equivalents	1,956,580	2,423,272
Note 3.1B: Trade and Other Receivables		
Goods and services receivables		
Goods and services	212,582	16,560
Total goods and services receivables	212,582	16,560
Other receivables		
Statutory receivables	110,286	118,427
Interest	78,210	87,610
Total other receivables	188,496	206,037
Total trade and other receivables (gross)	401,078	222,597
Less impairment allowance	(1,110)	(1,110)
Total trade and other receivables (net)	399,968	221,487

Credit terms for goods and services were within 30 days (2016: 30 days).

Reconciliation of the Impairment Allowance

Movements in relation to 2017		
	Goods and services	Total
	\$	\$
As at July 2016	1,110	1,110
Increase/(Decrease) recognised in net cost of services	-	-
Total as at 30 June 2017	1,110	1,110
Movements in relation to 2016		
	Goods and services	Total
	\$	\$
As at July 2015	1,750	1,750
Increase/(Decrease) recognised in net cost of services	(640)	(640)
Total as at 30 June 2016	1,110	1,110

Accounting Policy

Financial assets are assessed for impairment at the end of the reporting period.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of reporting period. Allowances are made when collectability of the debt is no longer probable.

High Court of Australia**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

	2017	2016
	\$	\$
Note 3.1C: Other Investment		
Deposits ¹	<u>6,000,000</u>	<u>9,500,000</u>
Total other investments	<u>6,000,000</u>	<u>9,500,000</u>

¹ Deposits held with financial institutions as authorised by the CE&PR under Section 41 of the *High Court of Australia Act* 1979.

High Court of Australia NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

3.2. Non-Financial Assets

Note 3.2A: Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment and Intangibles (2017)

	Land	Buildings	Library holdings	Other PP&E	Heritage and cultural ¹	Computer software	Other intangibles	Total
	\$	\$	\$	\$	\$	\$	\$	\$
As at 1 July 2016								
Gross book value	8,500,000	180,204,461	14,013,157	2,648,749	4,423,840	952,617	-	210,742,824
Accumulated depreciation and impairment	-	(4,798)	(628,434)	(34,437)	-	(829,347)	-	(1,497,016)
Total as at 1 July 2016	8,500,000	180,199,663	13,384,723	2,614,312	4,423,840	123,270	-	209,245,808
Additions:								
By purchase	-	6,562,672	839,967	1,487,989	31,577	84,754	-	9,006,959
By other movements	-	1,140,718	-	188,659	12,400	(2,127)	2,127	1,341,777
Revaluations and impairments recognised in other comprehensive income	-	7,691,970	(134,988)	-	-	-	-	7,556,982
Impairments recognised in the operating result	-	(2,504)	(76,434)	(13,076)	-	(163)	-	(92,177)
Depreciation and amortisation expense	-	(5,099,509)	(666,344)	(511,821)	-	(87,470)	(213)	(6,365,357)
Disposals:								
Other disposals	-	-	(5,454)	(4,192)	-	-	-	(9,646)
Total as at 30 June 2017	8,500,000	190,493,010	13,341,470	3,761,871	4,467,817	118,264	1,914	220,684,346
Total as at 30 June 2017 represented by:								
Gross book value	8,500,000	190,707,052	13,341,470	4,307,068	4,467,817	954,398	2,127	222,279,932
Accumulated depreciation and impairment	-	(214,042)	-	(545,197)	-	(836,134)	(213)	(1,595,586)
Total as at 30 June 2017 represented by:	8,500,000	190,493,010	13,341,470	3,761,871	4,467,817	118,264	1,914	220,684,346

¹ Land, buildings and other property, plant and equipment that met the definition of a heritage and cultural item were disclosed in the heritage and cultural asset class. No indicators of impairment were found. No property, plant and equipment or intangibles are expected to be sold or disposed of within the next 12 months.

High Court of Australia

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Accounting Policy

Asset Recognition Threshold

Purchases of property, plant and equipment are recognised initially at cost in the statement of financial position, except for purchases costing less than \$3,000 (or building improvements less than \$10,000), which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

Revaluations

Following initial recognition at cost, property, plant and equipment are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially from the assets' fair values as at the reporting date. The regularity of independent valuations depends upon the volatility of movements in market values for the relevant assets.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reverses a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the surplus/deficit except to the extent that they reverse a previous revaluation increment for that class. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset restated to the revalued amount.

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the Court using, in all cases, the straight-line method of depreciation.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2017	2016
Building assets	8 to 165 years	8 to 165 years
Infrastructure, plant and equipment	0 to 50 years	0 to 50 years
Library holdings	20 to 30 years	20 to 30 years

All heritage and cultural assets have indefinite useful lives and are not depreciated.

Impairment

All assets were assessed for impairment at 30 June 2017.

Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Court were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Heritage and Cultural Assets

The Court has a small collection of heritage assets which includes rare books, works of art and antique furniture. The Court has classified them as heritage and cultural assets as they are primarily used for purposes that relate to their cultural significance. The aims of the Court's preservation activities are to preserve collection items and to maintain access to them, consistent with their significance to the collection, usage requirements and current condition. The Court's preservation activities include documenting the collection, providing appropriate storage arrangements, adopting adequate security measures and undertaking conservation treatments when material is at risk or damaged.

Intangibles

The Court's intangibles comprise externally acquired software for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Software is amortised on a straight-line basis over their anticipated useful life. The useful lives of the Court's software is 3 years (2015-16: 3 years).

All software assets were assessed for indications of impairment as at 30 June 2017.

High Court of Australia

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Revaluations of non-financial assets

All revaluations were conducted in accordance with the revaluation policy. On 30 June 2017, independent valuers conducted valuations on land and buildings, and library classes.

Contractual commitments for the acquisition of property, plant, equipment and intangible assets

The Court has contracts for capital projects in progress for the replacement of the building's heating, ventilation and air conditioning systems (HVAC), security upgrades and other minor building works.

Following the discovery of asbestos during the HVAC project, a contract variation of \$1,683,645 was approved in July 2017, to remove this material. This Value is included in the commitments payable below.

	2017	2016
	\$	\$
Commitments are payable as follows:		
Within 1 year	6,292,904	5,479,103
Between 1 to 5 years	-	3,248,373
More than 5 years	-	-
Total commitments¹	6,292,904	8,727,476

¹ Including GST.

Note 3.2B: Other Non-Financial Assets

Prepayments	208,200	110,119
Total other non-financial assets	208,200	110,119

No indicators of impairment were found for other non-financial assets.

3.3. Payables

	2017	2016
	\$	\$
Note 3.3A: Suppliers		
Trade creditors	58,579	11,639
Accruals	575,547	211,701
Total suppliers	634,126	223,340

Settlement is usually made within 30 days.

Note 3.3B: Other Payables

Wages and salaries	188,655	128,185
Superannuation	9,056	4,173
Unearned revenue	24,228	23,981
Total other payables	221,939	156,339

High Court of Australia

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

4. Assets and Liabilities Administered on Behalf of Government

This section analyses assets used to generate financial performance and the operating liabilities incurred as a result the High Court of Australia does not control but administers on behalf of the Government. Unless otherwise noted, the accounting policies adopted are consistent with those applied for departmental reporting.

4.1. Administered – Financial Assets

	2017	2016
	\$	\$
Note 4.1A: Cash and Cash Equivalents		
Cash on hand or on deposit	<u>2,737</u>	<u>39,937</u>
Total cash and cash equivalents	2,737	39,937

High Court of Australia

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

5. Funding

This section identifies the High Court of Australia funding structure.

5.1. Appropriations

Annual Appropriations ('Recoverable GST exclusive')

Annual Appropriations for 2017

	<i>Appropriation Act</i>	Appropriation applied in 2016-17 (current and prior years)	Variance
	Annual Appropriation \$		
Departmental			
Ordinary annual services	13,372,000	13,372,000	-
Capital Budget (DCB)	2,522,000	2,522,000	-
Other services			
Equity Injections	1,450,000	1,450,000	-
Total departmental	17,344,000	17,344,000	-

Annual Appropriations for 2016

	<i>Appropriation Act</i>	Appropriation applied in 2015-16 (current and prior years)	Variance
	Annual Appropriation \$		
Departmental			
Ordinary annual services	13,312,000	13,312,000	-
Capital Budget (DCB)	2,520,000	2,520,000	-
Other services			
Equity Injections	1,450,000	1,450,000	-
Total departmental	17,282,000	17,282,000	-

The amounts are appropriated directly to the High Court of Australia in the Appropriations Acts. The appropriations are applied when amounts are paid to the High Court of Australia.

High Court of Australia
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

5.2. Net Cash Appropriation Arrangements

	2017	2016
	\$	\$
Total comprehensive income/(loss) less depreciation/amortisation expenses previously funded through revenue appropriations	9,946,432	4,086,167
Plus: depreciation/amortisation expenses previously funded through revenue appropriation	<u>(6,365,357)</u>	<u>(5,890,260)</u>
Total comprehensive income/(loss) - as per the Statement of Comprehensive Income	<u>3,581,075</u>	<u>(1,804,093)</u>

5.3. Cash Flow Reconciliation

Reconciliation of cash and cash equivalents as per statement of financial position to cash flow statement

Cash and cash equivalents as per		
Cash flow statement	1,956,580	2,423,272
Statement of financial position	<u>1,956,580</u>	<u>2,423,272</u>
Discrepancy	<u>-</u>	<u>-</u>
Reconciliation of net cost of services to net cash from/(used by) operating activities		
Net (cost of)/contribution by services	(17,347,907)	(19,590,534)
Revenue from Government	13,372,000	13,312,000
Adjustments for non-cash items		
Depreciation / amortisation	6,365,357	5,890,260
Gain - other, assets recognised for the first time	(1,341,777)	(9,700)
Net write down of non-financial assets	92,177	41,029
Losses from sale of assets	371	-
Reduction of impairment allowance	-	(640)
Movements in assets and liabilities		
Assets		
(Increase) / decrease in net receivables	(178,481)	(35,499)
(Increase) / decrease in prepayments	(98,081)	30,194
Liabilities		
Increase / (decrease) in employee provisions	(281,053)	143,363
Increase / (decrease) in supplier payables	50,014	(43,309)
Increase / (decrease) in other payable	<u>65,600</u>	<u>(216,872)</u>
Net cash from/(used by) operating activities	<u>698,220</u>	<u>(479,708)</u>

High Court of Australia

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

6. People and Relationships

This section describes a range of employment and post-employment benefits provided to our people and our relationships with other key people.

6.1. Employee Provisions

	2017	2016
	\$	\$
Note 6.1: Employee Provisions		
Annual Leave	594,460	713,269
Long Service Leave	<u>1,753,677</u>	<u>1,915,921</u>
Total employee provisions	<u>2,348,137</u>	<u>2,629,190</u>

Accounting Policy

Liabilities for 'short-term employee benefits' (as defined in AASB 119 *Employee Benefits*) and termination benefits expected within twelve months of the end of the reporting period are measured at their nominal amounts.

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long term employee benefit liabilities are measured as the net total of the present value of the defined benefit obligation at the end of the reporting period minus the fair value at the end of the reporting period of plan assets (if any) out of which the obligations are to be settled directly.

Leave

The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of the Court is estimated to be less than the annual entitlement for sick leave.

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including the Court's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The liability for long service leave has been determined by reference to the short hand method standard factors as at 30 June 2017. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

Separation and Redundancy

Provision is made for separation and redundancy benefit payments. The Court recognises a provision for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations.

Superannuation

Staff of the Court are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), the PSS accumulation plan (PSSap) or other complying accumulation superannuation funds.

The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap is a defined contribution scheme.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes.

The Court makes employer contributions to the employees' superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the Government. The Court accounts for the contributions as if they were contributions to defined contribution plans.

The liability for superannuation recognised as at 30 June represents outstanding contributions.

High Court of Australia

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

6.2. Key Management Personnel Remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Court, directly or indirectly. The Court has determined the key management personnel to be the Chief Justice, the Justices, the Chief Executive and Principal Registrar, the Senior Registrar, the Manager, Corporate Services and the Senior Executive Deputy Registrar.

Key management personnel remuneration is reported in the table below:

	2017	2016
	\$	\$
Short-term employee benefits	961,699	946,919
Post-employment benefits	185,505	170,366
Other long-term employee benefits	89,718	142,427
Total key management personnel remuneration expenses¹	1,236,922	1,259,712

The total number of key management personnel that are included in the above table are 4 (2015: 5).

¹ The above key management personnel remuneration excludes the remuneration and other benefits of the Chief Justice and the Justices. The salaries and allowances paid to the Chief Justice and other Justices of the Court are paid from a special appropriation held by the Australian Public Service Commission. The Justices' salary and allowances are set by the Remuneration Tribunal and are not paid by the Court.

On leaving the Court the Chief Justice and the other Justices of the Court receive payments in accordance with the *High Court Justices (Long Leave Payments) Act 1979* and the *Judges' Pensions Act 1968*. These payments are made from special appropriations held by the Attorney General's Department and the Department of Finance respectively.

In 2016-17 the Court spent \$471,084 in the provision of benefits to the Chief Justice and the other Justices. These benefits include the provision of a private plated vehicle, spouse/partner travel and the fringe benefits tax paid on the benefits provided.

6.3. Related Party Disclosures

Related party relationships:

The High Court is a Commonwealth entity within the General Government Sector. Related parties to the High Court are other Government entities and the Court's Key Management Personnel including the Chief Justice, the Justices and the Executive team.

Transactions with related parties:

Giving consideration to relationships with related parties, and transactions entered into during the reporting period by the Court, it has been determined that there are no related party transactions to be separately disclosed.

High Court of Australia

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

7. Managing Uncertainties

This section analyses how the High Court of Australia manages financial risks within its operating environment.

7.1. Contingent Assets and Liabilities

At 30 June 2017, the Court had no quantifiable or unquantifiable contingencies. (2016: nil).

Accounting Policy

Contingent liabilities and contingent assets are not recognised in the statement of financial position but are reported in the relevant schedules and notes. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

7.2. Financial Instruments

	2017	2016
	\$	\$
Note 7.2A: Categories of Financial Instruments		
Financial Assets		
Held-to-maturity investments		
Term deposits	6,000,000	9,500,000
Total held-to-maturity investments	6,000,000	9,500,000
Loans and receivables		
Cash at bank	1,956,580	2,423,272
Receivable for goods and services	212,582	16,560
Total loans and receivables	2,169,162	2,439,832
Total financial assets	8,169,162	11,939,832
Financial Liabilities		
Financial liabilities measured at amortised cost		
Supplier payables	58,579	11,639
Accrued expenses	575,547	211,701
Total financial liabilities measured at amortised cost	634,126	223,340
Total financial liabilities	634,126	223,340
Note 7.2B: Net Gains or Losses on Financial Assets		
Held-to-maturity investments		
Interest revenue	240,198	333,037
Net gains/(losses) held-to-maturity investments	240,198	333,037
Loans and receivables		
Interest revenue	18,416	22,029
Net gains/(losses) loans and receivables	18,416	22,029
Net gains/(losses) from financial assets	258,614	355,066

High Court of Australia

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Accounting Policy

Financial Assets

The Court classifies its financial assets in the following categories:

- (a) held-to-maturity investments; and
- (b) loans and receivables.

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. Financial assets are recognised and derecognised upon trade date.

Effective Interest Method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period. Income is recognised on an effective interest rate basis except for financial assets that are recognised at fair value through profit or loss.

Held-to-Maturity Investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity dates that the Court has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are recorded at amortised cost using the effective interest method less impairment, with revenue recognised on an effective yield basis.

Loans and Receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate.

Impairment of Financial Assets

Financial assets are assessed for impairment at the end of each reporting period.

Financial assets held at amortised cost - if there is objective evidence that an impairment loss has been incurred for loans and receivables or held to maturity investments held at amortised cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount is reduced by way of an allowance account. The loss is recognised in the Statement of Comprehensive Income.

Financial Liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

Other Financial Liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period. Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

High Court of Australia

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

7.3. Fair Value Measurement

The following tables provide an analysis of assets that are measured at fair value. The remaining assets and liabilities disclosed in the statement of financial position do not apply the fair value measurements.

Accounting Policy

The Court's policy is to revalue the land and buildings asset classes annually. The Court tests the procedures of the valuation model of all other asset classes as an internal management review at least once every 12 months (with a formal revaluation undertaken once every three years). If a particular asset class experiences significant and volatile changes in fair value (i.e. where indicators suggest that the value of the class has changed materially since the previous reporting period), that class is subject to specific valuation in the reporting period, where practicable, regardless of the timing of the last specific valuation.

Note 7.3A: Fair value measurement

	Fair value measurements at the end of the reporting period	
	2017	2016
	\$	\$
Financial assets		
Investments	6,000,000	9,500,000
Total financial assets	6,000,000	9,500,000
Non-financial assets		
Land	8,500,000	8,500,000
Buildings on freehold land	190,493,010	180,199,663
Heritage and cultural	4,467,817	4,423,840
Property, plant and equipment	3,753,607	2,614,312
Library holdings	13,349,734	13,384,723
Total non-financial assets	220,564,168	209,122,538
Total fair value measurements of assets in the statement of financial position	226,564,168	218,622,538

Fair value measurements – highest and best use differs from current use for non-financial assets (NFAs)

The Courts assets are held to meet the operational requirements of the *High Court of Australia Act 1979* and not held for the purposes of deriving a profit. The current use of all NFAs is considered their highest and best use.

Accounting Policy

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor accounts immediately prior to the restructuring.

High Court of Australia

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

8. Other Information

This section provides other disclosures relevant to the High Court of Australia financial information environment for the year.

8.1. Public Money in the Custody of the Court

	2017	2016
	\$	\$
Suitor's Fund		
Balances as at July 2016	14,500	12,000
Amounts received	63,000	5,000
Amounts deducted/paid out	<u>(58,750)</u>	<u>(2,500)</u>
Balance as at 30 June 2017	<u>18,750</u>	14,500

These are funds paid into the Court under an order of the Court or a Justice of the Court.



PART 6
ANNEXURES

PART 6

ANNEXURE A

FREEDOM OF INFORMATION

The High Court administration routinely includes information in its annual and financial reports consistent with the reporting requirements of the *Freedom of Information Act* 1982 (Cth) (FOI Act). The FOI Act applies only to administrative, non-judicial documents held by the Court, and does not apply to the holder of a judicial office or other office pertaining to the Court.

The officers of the Court who are exempt under the Act include:

- the Justices of the Court
- the Chief Executive and Principal Registrar of the High Court
- the officers performing the duties of Senior Registrar, Senior Executive Deputy Registrar, Deputy Registrars, and the Court Marshal.

As noted above, the Act does not apply to Registry documents that are not of an administrative nature. However, the case files of the Court are accessible to members of the public under the procedures in Rule 4.07.4 of the *High Court Rules* 2004.

The primary source of public information available to the public is via the Court's website. It provides a wide range of information related to the core business of the Court, its history, structure and administration. The Court has also published an Information Publication Plan as required under section 8 of the FOI Act.

The website provides access to documents related to legal matters filed at the High Court Registry, such as parties' initiating documents and submissions, short particulars of appeals and original jurisdiction matters, the results of applications for special leave,

and judgment summaries. Some of these documents are published on both the Court and AustLII websites and are also distributed through subscription email lists. Transcripts of all Court hearings are also accessible on the website, as are audio-visual recordings of Full Bench hearings in Canberra. The website provides links to relevant legislation, the *High Court Rules* and Forms, the library catalogue, and the library's current year's new books notification service. The website also provides information about fees for filing, issuing or sealing a document or obtaining a service, pursuant to Schedule 1 of the *High Court of Australia (Fees) Regulations*, and the Scale of Professional Costs, pursuant to Schedule 2 of the *High Court Rules*.

The website provides access to many of the speeches delivered by the Justices of the Court, and to speeches of former Chief Justices and Justices.

The website also provides information about the Court building in Canberra – the competition for its design, the materials used in its construction, its heritage listing and the features of each courtroom. It also provides information about visiting the Court and the art collection.

The website also includes a site map and search function to assist individuals to access information from the site, and includes a 'contact us' webpage and dedicated email address for inquiries, including a link for making FOI enquiries and lodging requests for information.

An email based subscription service is available to the public, media and legal profession which allows for notification of upcoming judgments, judgment summaries and case summaries.

Other information that the Court makes available includes:

- the *High Court Bulletin*, produced by the High Court Library. This provides a record of recent High Court cases: decided, reserved for judgment, awaiting hearing in the Court's original jurisdiction, granted special leave to appeal, and refused special leave to appeal. It is published in hard copy and is also available via the website, on a link to the AustLII website
- the Conservation Management Plan for the Court consistent with the *Environment Protection and Biodiversity Conservation Act 1999* (Cth)
- the Court sitting calendar, business lists and daily court lists
- venue and safety information for school excursions
- information transmitted orally by Court Guides stationed in the Public Hall and courtrooms to pre-booked school groups, other groups and visitors at large. Visitors are given an overview of the history, role and powers of the High Court and an explanation of the workings of each courtroom they visit. If the Court is sitting, school groups watch proceedings for a short time and debrief in another courtroom about what they have observed
- tailored guided tours for official visitors
- information about functions such as Sunday concerts, moots and public lectures.

The Court works with other institutions in the Parliamentary Zone to facilitate public access to information about the Court. For example, the Court has an established partnership with the National Archives of Australia (NAA). The NAA includes in its permanent exhibitions and on its website information about the Court, as do other national institutions, including the Australian Parliament.

The Court maintains appropriate channels of communication with the media, relevant agencies and the public about the operations of the Court.

FOI procedures and initial contact points

Enquiries concerning access to documents or other matters relating to freedom of information should be directed to:

High Court of Australia
PO Box 6309
Kingston ACT 2604

Telephone: (02) 6270 6819

Fax: (02) 6270 6868

Email: enquiries@hcourt.gov.au

Facilities for access

Facilities for examining documents and obtaining copies are available at the addresses shown below. Information about the facilities available to assist people with disabilities to obtain access to documents can be obtained from the offices of the Court Registry.

The Principal Registry of the High Court of Australia is located at the seat of the Court in Canberra. There are offices of the Registry at the capital city of each State and in Darwin.

The Registry services in Adelaide, Brisbane, Darwin and Perth are provided by staff of the Federal Court of Australia. Registry services in Hobart are provided by the Supreme Court of Tasmania.

Canberra

Parkes Place, Parkes ACT 2600
Postal Address: PO Box 6309
Kingston ACT 2604

Registry telephone: (02) 6270 6857
Registry facsimile: (02) 6273 3025

OFFICES AROUND AUSTRALIA

**Sydney**

Level 23, Law Courts Building
Queens Square, Sydney NSW 2000

Registry telephone: (02) 9230 8369

Registry facsimile: (02) 9230 8376

**Melbourne**

Level 17, Law Courts Building
305 William Street

Melbourne VIC 3000

Registry telephone: (03) 8600 3001

Registry facsimile: (03) 8600 3007

**Brisbane**

Federal Court of Australia
Level 6, Commonwealth Law Courts Building
119 North Quay, Brisbane QLD 4000

Registry telephone: (07) 3248 1100

Registry facsimile: (07) 3248 1260

**Perth**

Federal Court of Australia
Level 6, Commonwealth Law Courts Building
1 Victoria Avenue, Perth WA 6000

Registry telephone: (08) 9268 7100

Registry facsimile: (08) 9221 3261



Adelaide

Federal Court of Australia
Level 5, Commonwealth Law Courts
3 Angas Street, Adelaide SA 5000

Registry telephone: (08) 8219 1000
Registry facsimile: (08) 8219 1001



Hobart

Supreme Court of Tasmania
Salamanca Place, Hobart TAS 7000

Registry telephone: (03) 6233 6245
Registry facsimile: (03) 6223 7816



Darwin

Federal Court of Australia
Level 3, Supreme Court Building
State Square, Darwin NT 0800

Registry telephone: (08) 8941 2333
Registry facsimile: (08) 8941 4941

ANNEXURE B

STAFFING OVERVIEW

This Annexure comprises two tables which provide a profile of the Court administration's staff as at 30 June 2017.

All High Court staff are employed under the *High Court of Australia Act 1979* (Cth).

Conditions of employment for staff below the senior executive level are contained in the Determination under section 26(4) of that Act. As at 30 June 2017 the High Court employed 35 full-time and part-time ongoing staff; 37 full-time and part-time non-ongoing staff and 30 casual staff.

Staff distribution by branch/section, as at 30 June 2017

Branch/section	Ongoing		Non-ongoing		Casual	Total 2017	Total 2016
	Full Time	Part Time	Full Time	Part Time			
CE&PR	1	-	1	-	-	2	2
Chambers	2	-	22	-	1	25	24
Corporate Services	11	3	2	1	1	18	18
Library	3	4	-	1	-	8	8
Public Information	-	1	2	-	17	20	19
Registry	7	3	4	4	11	29	27
Total	24	11	31	6	30	102	98

Ongoing and non-ongoing full-time, part-time and casual staff by classification and gender, as at 30 June 2017.

Classification	Ongoing				Non-ongoing				Casual		Total 2017		Total 2016	
	Full Time		Part Time		Full Time		Part Time							
	F	M	F	M	F	M	F	M	F	M	F	M	F	M
HCE1	-	-	-	-	-	-	-	-	-	-	-	-	-	1
HCE2	-	1	-	-	-	-	-	-	8	9	8	10	9	9
HCE3	1	-	1	-	-	-	2	1	10	1	14	2	15	1
HCE4	3	2	3	-	-	-	-	-	-	-	6	2	5	2
HCE5	3	1	3	-	8	6	-	-	-	-	14	7	11	9
HCE6	2	1	-	1	8	1	-	-	1	-	11	3	10	4
EL1	3	3	3	-	1	1	1	-	1	-	8	5	6	5
EL2	1	3	-	-	1	2	1	-	-	-	3	5	3	4
Senior Executive	-	-	-	-	1	2	-	-	-	-	1	2	1	2
Office Holder	-	-	-	-	-	1	-	-	-	-	-	1	-	1
Total	13	11	10	1	18	13	4	2	20	10	65	37	60	38
Grand total	24		11		31		6		30		102		98	



