

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

**1.2 Own-source revenue and gains**

|  | 2019<br>\$'000        | 2018<br>\$'000        |
|--|-----------------------|-----------------------|
| <b><u>Note 1.2A: Sale of Goods and Rendering of Services</u></b> |                       |                       |
| Sale of goods  | 585                   | 733                   |
| Rendering of services  | <u>146,733</u>        | <u>138,185</u>        |
| <b>Total sale of goods and rendering of services</b>             | <b><u>147,318</u></b> | <b><u>138,918</u></b> |

**Accounting policy**

Revenue from the sale of goods is recognised when:

- a) the risks and rewards of ownership have been transferred to the buyer, and
- b) DFAT retains no managerial involvement or effective control over the goods.

Revenue from rendering of services is recognised by reference to the stage of completion of contracts at the reporting date, determined by reference to the proportion that costs incurred to date bear to the estimated total costs of the transaction. The revenue is recognised when:

- a) the amount of revenue, stage of completion and transaction costs incurred can be reliably measured, and
- b) it is probable that the economic benefits of the transaction will flow to DFAT.

**Note 1.2B: Other Revenue**

|                                   |                     |                     |
|-----------------------------------|---------------------|---------------------|
| Foreign tax refunds               | 5,767               | 4,577               |
| Sponsorship revenue               | 2,644               | 1,149               |
| Resources received free of charge | 630                 | 683                 |
| Other revenue                     | <u>373</u>          | <u>139</u>          |
| <b>Total other revenue</b>        | <b><u>9,414</u></b> | <b><u>6,548</u></b> |

**Accounting policy**

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.

Sponsorship revenue is recognised as revenue at the fair value of the sponsorship received or receivable when the probable economic benefits of the transaction will flow to DFAT.

Foreign tax refunds are recognised as revenue at the fair value of the foreign tax refund when the probable economic benefits of the transaction will flow to DFAT.

**Note 1.2C: Other Gains**

|                                |                     |                     |
|--------------------------------|---------------------|---------------------|
| Gain on restoration obligation | 1,265               | 3,627               |
| Assets previously expensed     | <u>1,278</u>        | <u>-</u>            |
| <b>Total other gains</b>       | <b><u>2,543</u></b> | <b><u>3,627</u></b> |

**Accounting policy**

Accounting policies for gain on restoration obligation are included at Note 3.4A: Other Provisions.

*Sale of assets*

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