



**ROYAL AUSTRALIAN MINT**

**ANNUAL REPORT**

**2001-2002**

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## ROYAL AUSTRALIAN MINT

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Senator the Hon Ian Campbell  
Parliamentary Secretary to the Treasurer  
Parliament House  
CANBERRA ACT 2600

Dear Senator

The attached Annual Report of the Royal Australian Mint for the year ending 30 June 2002 has been prepared pursuant to section 63 of the *Public Service Act 1999*.

The report outlines the activities and performance of the Royal Australian Mint for the 2001-02 financial year having regard to the reporting requirements approved by the Joint Committee of Public Accounts.

Under these requirements, the report is required to be laid before each House of the Parliament on or before 31 October.

Yours sincerely

Graeme Moffatt  
Controller  
6 September 2002



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**How to contact the Royal Australian Mint**

Street address	Royal Australian Mint Denison St Deakin ACT 2600 AUSTRALIA	Internet	<a href="http://www.ramint.gov.au">http://www.ramint.gov.au</a>
		Controller's Office	Tel (02) 6202 6826 Fax (02) 6202 6935 e-mail: <a href="mailto:controller@ramint.gov.au">controller@ramint.gov.au</a>
Postal address	Royal Australian Mint Private Bag 31 Kingston ACT 2604 AUSTRALIA	Visiting the Mint	Visitors are welcome between 9.00 am and 4.00 pm on weekdays, and between 10.00 am and 4.00 pm on weekends and public holidays. The Mint is closed on Christmas Day and Good Friday.
Telephone	Customer service 1300 652 020 Switchboard (02) 6202 6999 domestic +61 2 6202 6999 international		
Fax	(02) 6202 6954 domestic +61 2 6202 6954 international		

## ORGANISATION AT 30 JUNE 2002

**CONTROLLER  
OF THE MINT**  
Mr Graeme Moffatt

### **Director Marketing**

*Mr Anton Porzig*

- ▶ International and domestic sales and marketing
- ▶ Product design and development
- ▶ Public relations and visitor services
- ▶ Currency determinations

### **Director Operations**

*Dr Prabir De*

- ▶ Production planning
- ▶ Engineering design and development
- ▶ Engineering support, including tooling design and production
- ▶ Product manufacturing and packaging
- ▶ Building, equipment and services maintenance
- ▶ Quality programs, procedures and audits
- ▶ Security

### **Director Finance & Systems**

*Ms Catherine Porter*

- ▶ Business financial and accounting services
- ▶ Systems development and reporting
- ▶ Contract management
- ▶ Purchasing and supply

### **Manager Human Resources**

*Ms Pauline Cooper*

### **Curator, National Coin Collection (non ongoing)**

*Mr John Ashton*

## CORPORATE PROFILE

The Royal Australian Mint (RAM) is an operating division of the Department of the Treasury, with responsibility for producing circulating and numismatic coin for Australia. The Mint was established in Canberra in 1965, one year prior to Australia's changeover to decimal currency, and since 1983 has been the sole supplier of Australia's circulating coin requirements. (Between 1965 and 1983 the Mint's production of Australian circulating coinage was supplemented by production from Britain's Royal Mint, the Royal Canadian Mint and the Perth Mint.) Since its establishment, RAM has produced in excess of 12 billion Australian decimal coins.

The Mint also produces a range of high quality collector coins (numismatic coins) which are sold through an extensive mail order operation, a network of domestic and international coin dealers, selected Australia Post outlets and the Mint shop. In addition, RAM produces a number of Australian medals and awards, as well as tokens, medallions and jewellery items for domestic and overseas customers. The Mint is also a major Canberra tourist attraction with a public gallery and shop that have been attracting an annual average of about 160,000 visitors in the last few years.

The Mint is committed to upholding its reputation as one of the leading producers of quality coins in the world and to achieving business excellence.

### Vision

Excellence as a profitable world class Mint.

### Mission

To meet the circulating coin and numismatic needs of the nation.

### Values

- ▶ **Commitment:** *we believe in the vision and mission of the Mint, and pursue with enthusiasm and determination the achievement of its business objectives and the maintenance of a safe, healthy and happy work environment*
- ▶ **Integrity:** *we are open, honest and straightforward in the way we do our work, and do not take improper advantage of our employment at the Mint to achieve personal gain*
- ▶ **Teamwork:** *we understand that we depend on one another for effective performance, and are always on the lookout for ways in which we can help our workgroups to be more flexible, more efficient and more enjoyable to be in*
- ▶ **Service:** *we care about the needs of those - both outside and inside the Mint - who receive the products of our work, and we try always to meet those needs at the right time, at the right quality and at the right price*
- ▶ **Innovation:** *we continually seek to identify and implement better, safer and more cost-effective ways of doing what we do, encourage others to do the same, and keep ourselves up to date on relevant developments elsewhere*
- ▶ **Respect:** *we treat one another with courtesy and consideration, and do not belittle the contributions of others to the achievement of the Mint's vision and goals; we value diversity and renounce discrimination on grounds of race, religion, sex or cultural background*
- ▶ **Professionalism:** *we take pride in the quality of our products, in the skills and standards we apply to our work, and in our willingness to learn and to share the benefits of that learning with others*

## THE MINT'S SERVICE CHARTER

### SERVICE

- ▶ We will seek to meet your needs as a customer efficiently and promptly, and always look for ways of improving the quality and timeliness of our service.
- ▶ We will discuss with you, any issue you may raise related to the history, production and distribution of Australian coinage and numismatic products.
- ▶ You may contact us through our internet site or by mail, e-mail, phone or fax using the address and numbers given in this publication.
- ▶ When you contact us we will be courteous, helpful and prompt in any follow up actions required.
- ▶ Your first contact person will keep you informed of the progress of your request or may direct your request to a more appropriate person.

### RESPONSE

- ▶ We will clearly identify ourselves when you contact us and will ask for specific contact information from you.
- ▶ Your discussions will be treated with respect and confidentiality.
- ▶ If you contact us by phone during business hours (8.30 am to 4.30 pm), we will address your query immediately or advise of when a response can be expected. If you contact us by phone out of normal business hours your call will be recorded and we will call you back during the next working day.
- ▶ Your contact by mail, fax or e-mail will be acknowledged within three working days of receipt.

### COMPLAINTS

- ▶ We will address all complaints in terms of the Australian Standard AS 4269-1995 Complaints Handling and of the *Trade Practices Act 1974*.
- ▶ If you return products, please include your contact details. If you are currently included on our mailing list please advise your customer number. We will respond within one week of receipt.
- ▶ If you continue to have a problem, try to resolve the matter with your first contact person, but if necessary, please ask to be referred to the appropriate manager.
- ▶ If the matter is then not resolved, please contact the Controller with all details. The Controller will respond within one week of receipt of this contact.

### OTHER COMMENTS

- ▶ We will review this Charter at least every two years. The Charter was last reviewed and reaffirmed in December 2001.
- ▶ We want to improve our products and service standards, and invite your criticisms, comments and suggestions to help us achieve this. Please use the contact details provided on page vi.

*Note: This Service Charter is not legally binding on the Royal Australian Mint, but is an expression of the standards we seek to achieve and maintain.*

## OVERVIEW

The Mint seeks to achieve a commercial rate of return on investment and to produce Australia's circulating coin to applicable benchmarks of efficiency, timeliness and cost. The Mint's collector coin and other business is conducted on a commercial basis, within the parameters set by the Government on the operation of government agencies. The Mint receives no direct Budget funding.

### MANAGEMENT FRAMEWORK

As a Division of the Department of the Treasury, the Mint is responsible to the Secretary to the Treasury. At Government level, the Parliamentary Secretary to the Treasurer has responsibility on behalf of the Treasurer for currency matters including the annual numismatic program and associated currency determinations.

The RAM Advisory Board provides strategic advice and reviews Mint performance against key indicators and strategies in the Business Plan. As at 30 June 2002, the Advisory Board comprised:

- ▶ Mr Nigel Ray, Acting Executive Director, Markets Group, Treasury (Chair);
- ▶ Mr Steve French, General Manager, Financial Institutions Division, Treasury; and
- ▶ Mr Paul Hickey, Deputy Chief Executive Officer Business Capability, Centrelink;

together with the Controller of the Mint. The Controller reports monthly to meetings of the Board.

Management of the Mint rests with the Senior Management Team, comprising the Controller and the Directors identified in the chart on page 1. Short meetings of the Senior Management Team are held weekly, and major meetings of the Team are held monthly to discuss strategic and operational issues and review performance against budget and other key indicators.

### 2001-02 PERFORMANCE SUMMARY

Overall profit for the 2001-02 year was \$2.015m, representing 14.8 percent of gross assets less CSOs (ie the National Coin Collection at \$3.7m and approved excess circulating coin inventory at around \$12m). This pleasing result compares with the budgeted profit of \$1.51m or 10 percent of adjusted gross assets.

Of overall gross profit, 85 percent was contributed by Australian numismatic product and 8 percent by minted non-coin product (eg medals and medallions), with the balance derived from the sale of purchased finished goods, Olympic Coin Program product, Australian circulating coin and coin for other countries.

During the year demand for circulating coin was high, generating three times the budgeted seigniorage (\$129.5m versus \$41.5m). Additional benefit for the Commonwealth was delivered by the Mint's negotiation with its circulating blank supplier, Poongsan Corporation of Korea, of a two-year fixed price contract that took advantage of historic low base metal prices. This feature alone yielded a saving of some \$0.5m over a six-month period. Neither of these achievements reflected directly in the Mint's profit performance.

Despite the very substantial effort, and associated cost, involved in wrapping up the Sydney 2000 Olympic Coin Program by the end of June 2002, the Program delivered a small net profit amounting to some \$0.25m to the partner mints, the Royal Australian Mint and The Perth Mint, with RAM's share being \$0.125m. The final result for the Sydney 2000 Olympic Coin Program as a whole, taking account of product returns and write-offs in 2001-02, was:

▶ RAM profit, on sale of STOCP products	\$ 7.8m
▶ Royalties to Olympic movement (SOCOG, IOC, AOC, NOC's)	\$14.1m
▶ Royalties to Commonwealth	\$10.7m

Non-budgeted revenue was also gained from a resumption of international activity involving minting of collector coin for Estonia, Nepal and New Zealand.

## BUSINESS STRATEGY AND RESOURCING

As a result of the Organisation and Resourcing Review undertaken in July-August 2001, the senior management structure of the Mint was reduced from four Directorates to three (Marketing, Operations and Finance & Systems), and RAM's ongoing staffing level was reduced from 115 to 95 by Christmas 2001. The number of casual personnel was also reduced by about 40 percent (to 25), and shiftwork and regular overtime were terminated.

These adjustments recognised the conclusion of the high-workload period associated with the Sydney 2000 Olympic Games and the Centenary of Federation. The reduction in ongoing employees, involving the departure of employees at all levels and across all major functions, was accomplished through two rounds of voluntary retrenchments.

A five-year strategic plan was endorsed by the RAM Advisory Board in May 2002, and provides an overarching frame for the detailed short-term strategies incorporated in the Mint's annual business plan. This is the first time RAM has had an approved forward strategy. The five-year plan will be reviewed on a rolling annual basis.

## OTHER HIGHLIGHTS

The 22nd Mint Directors Conference was held in Osaka, Japan, in April 2002, after 18 months of planning by the Council of the XXII MDC, headed by the Controller as President and including the Director-General of the Mint Bureau of Japan (MDC Vice-President and Conference host) and the Chairman and CEO of the Royal Spanish Mint (MDC Secretary-General). The Conference was very successful, and generated much favourable publicity for RAM. In late 2001 the Director Operations was appointed convener of the Sub-Committee on Materials, the only active MDC sub-committee.

A refurbishment program was commenced on the nine Schuler high-speed circulating coin presses, and will continue until a replacement program for the presses is approved and implemented. Replacement action was taken during the year on two major items of business-critical equipment, namely the jet counters feeding the circulating coin bagging line, and the Mazak CNC milling machine in the toolroom.

Customer mail list survey responses and feedback through the website (e-mail and forum participation) indicate a high level of customer satisfaction with RAM's service quality. A 'Friends of the Mint' program was launched in May 2002 as reward for and recognition of

long-standing customers. Visitor services will continue to be addressed, and funding options to allow further upgrade of the Visitor Gallery will be considered in 2002-03.

R&D cooperation between RAM and CSIRO culminated in the issue by RAM of the world's first dual-hologram coin in November 2001. Further collaboration is taking place, aimed at the issue of a second hologram coin in September 2002.

Negotiations were successfully concluded in January 2002 for the third RAM Agency Agreement, which was subsequently certified by the AIRC on 23 April 2002. The Agreement provided employees with a 4 percent pay increase having regard to productivity improvement (excluding management initiated staff reductions) in the preceding 12 months, and allows for a further productivity-based increase of 3 percent after 12 months.

For the excellence of its OH&S program, the Mint received an OH&S Management System Award from ACT WorkCover in October 2001 and an Outstanding Achievement Award from the National Safety Council of Australia in November. Following independent audits in the second half of the year, the Mint retained both the OH&S 5-star rating and the ISO9002 quality accreditation, the former for the eighth and the latter for the eleventh consecutive year.

## OUTLOOK

Our target profit for the year 2002-03 is again \$1.5m. In setting this target, we have:

- ▶ assumed a more moderate demand for circulating coin, with the commercial banks managing their coin stocks more sensibly than in 2001-02 and with no major exogenous factors (such as Y2K or the Olympics) affecting coin demand during the year;
- ▶ scaled back our planned numismatic activity in recognition of customer feedback and the post-Centenary environment, reverting to a more compact base program in terms of themes and mintages but with scope for quick responses to emerging commemorative obligations, challenges and opportunities;
- ▶ assumed an increasingly important contribution to overall profit from minted non-coin product and sale of purchased finished goods; and
- ▶ envisaged that several contracts will be won for production of coin – collector or circulating - for other countries, and that these will make a positive contribution to overall profit.

Accompanied by careful asset management, we expect this to deliver a return on gross assets (less CSOs) in excess of 10 percent.

## MARKETING

Against an original budget of \$18.8m, numismatic sales totalled \$20.1m in 2001-02 (including sales of the Queen Mother and Commonwealth Games coins outside the original budget). Demand for collector coin tapered off in the second half of the financial year, reflecting increased nervousness in the market following the September 11 terrorist attacks in the USA and major corporate collapses there and in Australia. The result therefore was very good under generally difficult retail circumstances. Corporate (non-coin items) sales also performed strongly, with revenue of \$1.6m against a budget of \$1.4m, and overseas orders generated further unbudgeted revenue totalling nearly \$1.4m.

### RAM COLLECTOR COIN

The major theme for calendar 2002, featured on our Year Sets, Baby Sets and a number of other coin issues, is Australia's 'Year of the Outback'. Once again Australia's coins have been able to highlight an important part of our culture as well as an aspect of our geography, and spread the message of this Year to all Australians through their use of the 2002 dated circulating coins, as well as to collectors around the globe who might collect Australian coins.

Key collector coin issues during the year were:

- ▶ *2001 Masterpieces in Silver Set*  
The 2001 set titled 'Federation!' comprised six fine silver coins featuring representations of men and women who were major drivers of the move towards Federation in the late 1800.
- ▶ *Floral Emblems Gold Coin series*  
The 2001 gold coins, the seventh in the series, featured the Golden Wattle, the floral emblem of Commonwealth of Australia.
- ▶ *Millennium Coin series*  
The 2001 bimetallic \$10 proof coin, titled 'The Future', featured a gold plated silver centre and a copper outer ring. This was the third and final coin in the three coin series, designed by Peter Soobik of Orange in NSW, which was released progressively between 1999 and 2001.
- ▶ *2001 \$1 90 Years of the Navy*  
This \$1 aluminium bronze coin featured the general badge of the Royal Australian Navy, which commemorated its 90th anniversary.
- ▶ *2001 States and Territories Centenary of Federation Coin Program*  
Three-coin sets were released during 2001 for each State and self-governing Territory, comprising the \$1 Centenary of Federation Logo coin (with colour on the proof coin), a 50-cent coin bearing the Coat of Arms of the State or Territory, and a special 20-cent coin featuring a school student design from that State or Territory. Also available were proof and uncirculated sets comprising all of the State and Territory designs plus the Centenary \$1 and the 50-cent coin with the Commonwealth Coat of Arms (20 coins in total). During the financial year the coins for the Northern Territory, South Australia, Western Australia and Tasmania were issued.

▶ *2001 Finale coin for the Centenary of Federation*

The Mint issued Australia's first Optically Variable Device (or 'hologram') coin as its 'Finale' coin in the Centenary of Federation series. This coin was developed in collaboration with the CSIRO, utilising their 'Exelgram' © technology to strike a hologram directly onto a coin.

▶ *2002 Six Coin Set – Year of the Outback*

The 2002 set comprises the standard coin designs with a commemorative 50-cent coin depicting that well known outback symbol, the windmill, and the \$1 coin with the Year of the Outback logo, with the logo featured in colour on the proof version.

▶ *2002 Baby Coin Set – Year of the Outback*

The 2002 set comprises the standard coin designs with a commemorative 50-cent coin depicting the windmill and the \$1 coin with the Year of the Outback logo, with the logo featured in colour on the proof version, plus a special Koala medallion.

▶ *2002 Wedding Coin Collection – Year of the Outback*

The Mint introduced a new set, the wedding coin collection, to celebrate the wedding in a particular year. This set, designed to appeal to gift buyers, contains the standard six circulating coin designs as in the Year Set and Baby Set. The finish of the coins is 'gem uncirculated' and the set includes a plaque on which to inscribe a message.

▶ *2002 \$1 Silver Kangaroo*

The year 2002 frosted uncirculated and proof coins feature a distinctive Aboriginal design by the artist Mark Nodea from Western Australia.

▶ *2002 \$1 Mintmark Coins*

The \$1 aluminium bronze mintmark coins (featuring the 'C', 'B' and 'S' mintmarks) with the Year of the Outback logo were issued during the financial year.

▶ *2002 \$1 Silver Coin*

The \$1 fine silver proof also featured the Year of the Outback logo.

▶ *2002 50-cent Silver Accession coin*

This 50-cent fine silver proof coin designed by Peter Soobik celebrated the 50th anniversary of the Accession of Her Majesty Queen Elizabeth II to the throne.

▶ *2002 \$100 Gold Accession coin*

The \$100 one ounce fine gold proof coin, also designed by Peter Soobik to celebrate the 50th anniversary of the Accession of Her Majesty Queen Elizabeth II to the throne was only available in a two coin set, together with the silver proof 50-cent coin.

▶ *2002 \$5 Proof base metal coin*

The biennial series comprising a proof \$5 coin coupled with a '\$5 for \$5' bimetallic base metal coin in a card was continued in 2002, with the release of coins commemorating the loss of HMAS Perth and USS Houston in the Battle of Sunda Strait in March 1942. The design on the proof coin showed the fore-sections of the two vessels.

▶ *2002 \$5 for \$5 bimetallic base metal coin*

The second coin in this biennial series, the '\$5 for \$5' coin in a card commemorating the Battle of Sunda Strait, featured the bell from the Houston. The outer ring of the coin was stainless steel and the centre aluminium bronze.

▶ *2002 50-cent Silver Queen Mother coin*

This 50-cent fine silver proof coin, commissioned by the Mint from Stuart Devlin, celebrated the life of Queen Elizabeth, the Queen Mother. The design was based on a photograph of the Queen Mother when she first visited Australia in 1927 as the Duchess of York.

► *2002 \$10 Trimetal coin*

The Mint issued Australia's first trimetal coin, in gold, silver and copper, to celebrate Australia's participation in the 17th Commonwealth Games in Manchester. The coin was part of a set of precious metal and base metal coins issued for this event and designed by the Mint's Wojciech Pietranik.

► *2002 \$5 Silver coin*

The \$5 proof silver coin to commemorate Australia's participation in the Commonwealth Games featured a design representing five athletes with their arms raised in celebration, standing above a laurel wreath.

► *2002 \$5 Aluminium/Zinc/Bronze three coin set*

Three coins, each with a face value of \$5, made up this set. Two of the coins featured designs representing equipment used by the 17 major sports that were participating at the Commonwealth Games. The third coin featured the Commonwealth Games logo, in colour.

## THE CENTENARY AND AFTER

The Centenary of Federation coin program of 2001 was an immensely successful one, that RAM was proud to undertake as Australia's national Mint. We were able to involve people across the country, young and old, in the program, thereby adding to the level of awareness in the community of the cultural and historical importance of the coinage as well as reinforcing the objectives of the Centenary celebrations themselves.

The final Centenary of Federation coins for the Northern Territory, South Australia, Western Australia and Tasmania were launched in the second half of 2001. The 'Finale' coin for the Centenary of Federation was Australia's first 'hologram' coin, reflecting our wish to mark Australia's move into its second century by using the very latest in coin design and manufacturing methods. The coin was exceptionally successful with collectors but demand was in excess of what had been expected and the mintage sold out within 13 days.

Having completed large programs for the Sydney Olympics and the Centenary of Federation, the Mint has deliberately moved to reduce the number of new collector coin issues, so as not to overload the market. In addition, where possible we are restricting the mintages of strictly numismatic coins to numbers that we believe will just meet collector demand. At the same time it is necessary to ensure that any Australian who might want to purchase the Mint's 'icon' sets during the course of the year is able to do so, and for this reason no mintage limit is set for such products as the Year sets, Baby sets and Wedding sets, and the \$1 Mintmark coins. The Mint believes this strategy will assist genuine collectors as well as the dealer community to keep this hobby strong and invigorated.

## INTERNATIONAL ACTIVITIES

The Mint's e-commerce facility is regularly updated and is a profitable avenue to increase sales within Australia and around the world. The website is a strong medium of communication with many of our established collectors and also many new overseas collectors who would normally not have been aware of the range of our coin products. Information on the Mint and its products is also made available through worldmints.com, a website operated by seven of the world's major mints (Austria, Canada, Japan, Spain, UK, Singapore, Australia) under the aegis of the International Mint Market Development Council.

In accordance with normal practice, RAM was represented at the American Numismatic Association Annual Convention in Atlanta, Georgia, in August 2001, and also participated in the World Money Fair in Basel, Switzerland, in February 2002. The Mint's participation in the 22nd Mint Directors Conference in Osaka has been mentioned elsewhere in this report. At a special function during that Conference, awards were presented to the Mint's designers Wojciech Pietranik and Vladimir Gottwald in the prestigious Krause Publications Coin of the Year Awards. Wojciech won the award for Most Inspirational Coin with his design for the 2000 Paralympic Coin Program bronze collector coin, and Vladimir won the award for Best Trade Coin with his design for the Royal Visit 50-cent circulating coin released in March 2000.

During the year the Mint secured several orders for the supply of collector coin to other countries:

- ▶ Vladimir Gottwald had the honour to design the effigy of His Majesty King Gyanendra of Nepal, used on the obverse of gold and silver proof coins to celebrate the anniversary of the King's accession to the throne;
- ▶ RAM produced master tooling on-line with input from the Estonian designer as a basis for the production of a silver proof coin to celebrate the 150th anniversary of the foundation of Tartu University; and
- ▶ the New Zealand seven-coin year set included a Hector's Dolphin \$5 coin with differential frosting, and the packaging for the set was also designed by RAM using its state-of-the-art graphic design facilities.

## MEDALS, MEDALLIONS AND TOKENS

The Mint manufactures a number of Australian honours and awards for the Government House Honours Secretariat. In 2001-02 the Mint sold 475 medals, sets and components and provided engraving services for 247 previously awarded medals. Gross revenue from this activity was approximately \$82,340 compared to \$49,223 in 2000-01.

The Mint also manufactures tokens and medallions for commercial customers both locally and overseas. The products are principally for corporate promotional purposes. Total sales of \$1.55m were achieved in this financial year. Sales in 2000-01 were \$2.09m.

Annex 13 provides further information on the production of medals, medallions etc.

## VISITOR FACILITIES AND MUSEUM

During the year, the Mint's Visitor Gallery and Shop received a High Commendation in the ACT 2001 Tourism Awards in the category of Significant Attraction. This was a major achievement in our first year of entry into the awards and demonstrates that the Mint's visitor facility operates to appropriate standards and benchmarks.

It had been anticipated that with the end of the Olympic Coin Program, there would be a drop in shop sales and this was reflected in the forecast for the year. Sales were within 0.5 percent of that forecast.

The Centenary of Federation Coin Exhibition was replaced with a new exhibition entitled 'Treasures from the National Coin Collection' in February 2002. This traces the history of coins of particular relevance to the development of Australia's monetary system.

An exhibition of student designs for the Centenary of Federation coin program was installed in the Roof Gallery, and in addition we presented the travelling exhibition 'Coined, Noted and Stamped' from the Powerhouse Museum in Sydney.

The audio system in the Long Gallery was improved by adding pre-recorded commentaries to all the observation windows and by the provision of a radio microphone system for tour guides such that they could use the same audio system when conducting guided tours. A loop FM transmitter was installed in the theatrette to broadcast the DVD commentary directly to hearing aids for the hearing impaired.

An Acquisition and Disposal Policy for the National Coin Collection was approved by the RAM Advisory Board and the Parliamentary Secretary to the Treasurer during the year. Amongst other things, this provides for the sale of surplus items and use of the proceeds to acquire items that are required for the collection.

## OPERATIONS

Following the Organisation and Resourcing Review of July-August 2001, the Operations Directorate was created to replace and amalgamate the old Production and Facilities & Quality Directorates. This has permitted some rationalisation of processes and lines of control, and assisted in a significant streamlining of manufacturing operations.

In late 2001 the Council of the Mint Directors Conference appointed the Director Operations as Chair of the Materials Committee of the MDC. This committee exists to identify and analyse the future materials requirements of the world's minting industry and advises Mint Directors accordingly through the biennial plenary meetings of the MDC. Currently the committee comprises representatives of nine mints and eleven industrial support companies.

Staff of the Operations Directorate presented two technical papers to the 10th TEMAN Conference in Brunei in July 2001 and one paper on the application of optically variable devices to coins at the 22nd Mint Directors Conference in Osaka, Japan, in April 2002.

### CIRCULATING COIN

Following from the decision by the Reserve Bank of Australia to transfer ownership of circulating coin pools to the commercial banks progressively from July 2001, the demand for circulating coin increased significantly from initial estimates. The major impact of this decision came in the first half of the financial year, traditionally the Mint's busiest period, making it necessary to work two shifts for a period of three months to meet the RBA demand.

All of the Mint's high-speed presses are now over 15 years old and have exceeded their economic working life. A refurbishment program for these presses was implemented early in the year to bring their condition back to an acceptable operational level. The program required that the presses be completely disassembled, and checked for cracks and wear. The presses are being rebuilt using new and reconditioned components, some of which have been made in the Mint's machine shop, and their features modernised where appropriate.

During this program, and dramatically illustrating its value, the connecting rod of one of the four high-speed 150 tonne coining presses that produce 20 and 50-cent coins fractured into three pieces as a result of metal fatigue, taking the press out of action for nine months. Two other presses were found to be close to break down or in a 'near miss' condition. By end-June 2002 reconditioning of five of the nine presses had been completed, extending their life by up to five years subject to spare parts availability.

A program to replace the Mint's existing coin counting machines was implemented. Our old machines were no longer serviceable and replacement machines with outputs up to 20 percent greater than the existing machines were commissioned.

### COLLECTOR COIN

During the year the Mint produced three coin styles for the first time, namely an OVD (hologram) coin, a silver coin with two gold foil inserts incorporated into the reverse design, and Australia's first tri-metal coin.

Aside from the design and development challenges associated with these products (see below), the production of the coins required some innovative measures in the coining hall. These included the modification of proof coin presses so that they would pause during the coining process to allow insertion of an OVD-bearing shim or 2 gold foils prior to the final strike and ejection of the coin from the collar. Special handling techniques were also needed for the fine shims and gold foils.

RAM continued with its coloured coin technology, which was developed for the Sydney Olympic coin program and enhanced for Centenary of Federation coins in 2001. This year RAM produced a \$1 proof coin with a coloured representation of the Year of the Outback logo. Also the three-coin Commonwealth Games set included one coin printed with the Commonwealth Games Association logo in colour.

A joint venture project with CSIRO's Manufacturing Science and Technology Division was initiated to replace the traditional blank preparation process for cupro-nickel of hot acid pickling. Initial research showed some encouraging results. The Mint will follow up the research results next year.

## PRODUCTION PLANNING

Throughout 2001-02, the Centenary of Federation collector coin program and circulating coin issues continued to develop in scope, complexity and demand. Continuing into the second half of the year, these products reached maturity and provided challenges for the maintenance of supply without over-burdening inventories.

Increasing rigour has been introduced to top-level planning functions through regular meetings of a Master Production Scheduling committee, comprising the three Directors and the Planning Manager. Supply targets have been negotiated and formed the basis for resource planning throughout the year. High levels of customer service have been maintained using this process and associated disciplines.

The planning process was put under pressure during the year as a result of the demand surge following the transfer to the commercial banks of ownership of circulating coin pools. Significantly, the high demand for coin was met from blank supply with a cost negotiated on the basis of hedged metal prices. During the period of blank procurement the spot price of blank raw materials has continued to trend upwards, yielding substantial cost savings for the Commonwealth.

RAM has continued to work cooperatively with the supplier of our manufacturing software in the development of processes to increase productivity, flexibility and accuracy. This work has begun to yield dividends in this financial year and is planned to continue into the future.

## ENGINEERING DESIGN AND DEVELOPMENT

As mentioned in the Marketing chapter, production of Australia's first coin bearing an optically variable device (OVD) was the result of a cooperative technical venture between RAM and CSIRO. The fine silver 'Finale' coin features an OVD that switches from a map of Australia to an image of the Rotunda in Sydney's Centennial Park, where the inauguration ceremony of Federation was held on 1 January 1901. The image switch is dependent on the angle of viewing and produces a colourful holographic effect.

The development of a second OVD coin is currently under way and the coin is planned for release in September 2002. This coin will feature an outback image of Kata Tjuta. As the coin is tilted, the optical effect will be a change in colours simulating the changing effects of the light on the rocks and in the sky from sunrise to sunset.

Another interesting collector coin commemorating 130 years of the Melbourne Mint was successfully produced. This fine silver coin has two gold foil inserts inlaid into the reverse side of the coin representing the obverse and reverse of an 1872 gold sovereign. The development task for this coin was to design a coining die that would produce a specially shaped groove in the coin to mechanically lock the gold foil in place during coining.

The introduction of computer design and master tooling production, together with 3D laser scanning and upgraded graphic design software has seen a dramatic reduction in the time required for the production of much of our master tooling. Our specialist technical staff are now highly skilled in the use of this equipment and are producing tooling of very high quality. In what is probably a world first, a digitised design for a proof coin was received from Estonia through a secure IT system and the tooling was created without the aid of conventional sculptured modelling. The ability to reduce the costs and lead times associated with master tooling assisted us in securing orders for proof gold and silver coins from Nepal which commemorated the accession to the throne of His Majesty King Gyanendra.

RAM undertook the graphic design and development of packaging for proof and uncirculated coin being produced for the Reserve Bank of New Zealand. This entailed considerable cross Tasman liaison with the client highlighting the positive contribution of new technologies.

The Metrology Laboratory was kept very busy during the year with the measurement and quality control of master tooling and calibration of dimensional and mass measuring equipment. Timely measurement and reporting helped ensure that the Mint complied with the requirements of the ISO 9002 Quality Management system.

## TOOLING OPERATIONS

As a result of the Organisation and Resourcing Review, Tooling Operations was merged with Facilities Maintenance and Quality to form a new Technical Services and Quality (TS&Q) Section. The majority of the Mint's trade and technical staff work in the new TS & Q Section, enhancing flexibility and sharing of technical expertise. Tooling Operations staff are now responsible for maintaining their own machinery whilst technical skills of maintenance staff complement those of Tooling Operations to take on special projects.

The TS&Q Section as a team designed, developed and manufactured the 'Mintmark' machine, a pneumatically operated machine capable of stamping a Mintmark on coins with high precision. The machine, which is versatile and small in size and easily transported to interstate coin fairs, alleviates the difficulty and high cost of transporting heavy coining presses. Members of the public who had the opportunity to use the machine to make their own Mintmark coins at the Sydney and Brisbane coin fairs were pleased with the operation of the machine and its product.

Tooling Operations' modernisation program was given a boost with the purchase of a state-of-the-art replacement for the 20-year-old CNC milling centre. This milling centre has several new features including automatic tool change and laser controlled tool measuring and can produce machine parts with high precision at significantly higher production rates than previous equipment.

Trials with Filtered Arc Deposition (FAD) coated dies continued in collaboration with CSIRO. The dies prepared by the Mint were sent to CSIRO for FAD coating. The coatings from the CSIRO machine were found to be of better quality than those earlier produced by the Mint's prototype machine. CSIRO has produced both Titanium Nitride (TiN) and Chromium Nitride (CrN) coatings, for base metal and precious metal coining respectively. The initial coining trials are promising and the Mint is working closely with CSIRO to further develop this process.

## BUILDING AND EQUIPMENT

During the year Facilities Section completed a number of important projects, including:

- ▶ purchase of a new 3-tonne forklift with drum tipping capabilities to replace two older forklifts;
- ▶ relocation of the Chemistry Laboratory from the Administration building to the Waste Water Treatment Plant, enabling more efficient use of the facility to support on-site waste processing;
- ▶ replacement of the air conditioning systems in the Executive area and Boardroom, and installation of a new air conditioning system for the computerised engraving machine to maintain a stable temperature for twenty-four hour operation;
- ▶ modification of the Automatic Pickling Line fume extraction system, improving its effectiveness and significantly reducing down time; and
- ▶ replacement of the 10-year old PABX with a more user-friendly and sophisticated Commander system.

In addition, modifications were carried out to the Tourist Facility with the changeover from the Centenary of Federation exhibition to the 'Treasures from the National Coin Collection' exhibition. The entrance to the Mint Shop was also opened up to create a more welcoming atmosphere for visitors to the Mint. To celebrate the 150th anniversary of the discovery of nickel, a prime element of coinage material, a new exhibition was established in the Long Gallery by the Nickel Development Institute.

## ENERGY SAVINGS

Continuous monitoring of energy usage ensured that the energy consumption was kept under control. Although the Mint operated a double shift over a period of three months, electricity consumption was down by 2.1 percent and gas consumption was down by 4 percent compared to the previous year. Major savings were made in nitrogen consumption after diagnosing and rectifying furnace malfunctions.

The Mint renewed its electricity supply contract for a further period of three years starting from January 2002. After obtaining competitive quotations from major suppliers the contract was awarded on a best price basis. The new electricity tariff quoted by all suppliers was significantly higher than that of the previous contract. As a result any savings made in consumption did not translate in to dollar savings.

## SECURITY

Following the September 11 terrorist attacks in the USA and having regard to information provided by the Protective Security Coordination Centre (PSCC), the Mint was placed on a heightened level of security. This involved implementing additional inspection routines and a more vigilant watch on the monitoring system both day and night. Further precautionary measures to protect Mint employees and others who handled mail were implemented through training and issue of protective equipment.

As part of its ongoing performance audit program, the Australian National Audit Office carried out a physical security audit of the Mint and four other Commonwealth agencies. The report of the audit is expected to be completed early in 2002-03.

To keep abreast of heightened security in Government business, the Security Manager attended a number of training courses including Protective Security, Security Risk Assessment and Security in Government.

## QUALITY MANAGEMENT

Quality Assurance Services carried out two quality audits against the requirements of the ISO-9002 Quality management system and upheld the Mint's accreditation once again. The Mint has held the ISO 9002 accreditation since 1991.

In keeping with the ISO-9002 standard five external quality audits on our major suppliers and a number of internal quality audits were carried out by trained members of the staff.

The new ISO-9001/2000 standard is currently being addressed, and a complete overhaul of the RAM Quality Manual and Quality Policy has been completed. Procedures and Work Instructions have also been updated.

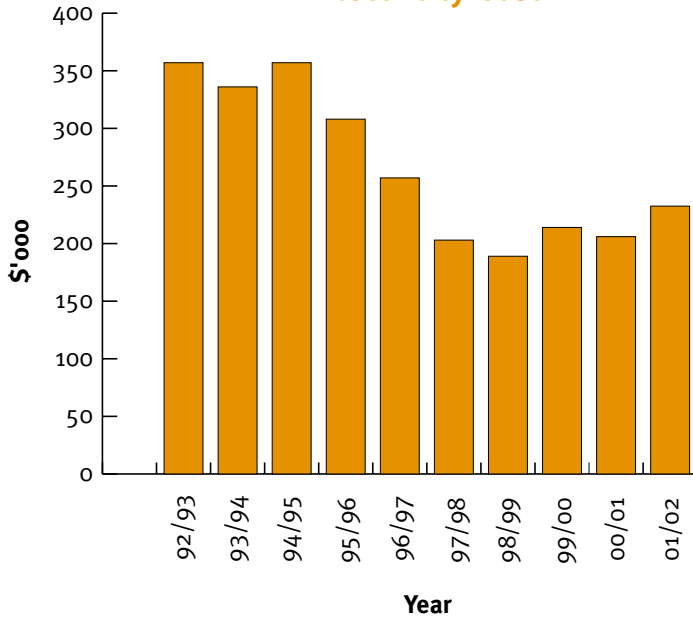
## ENVIRONMENT ISSUES

The Mint continued to monitor all effluent discharge and solid waste quality with respect to heavy metals. All documentation has been kept for inspection of relevant authorities, if required. Also environmental emissions were sampled at regular intervals. Significant work has been carried out to upgrade the automatic pickling line scrubber. This resulted in reduced atmospheric emission.

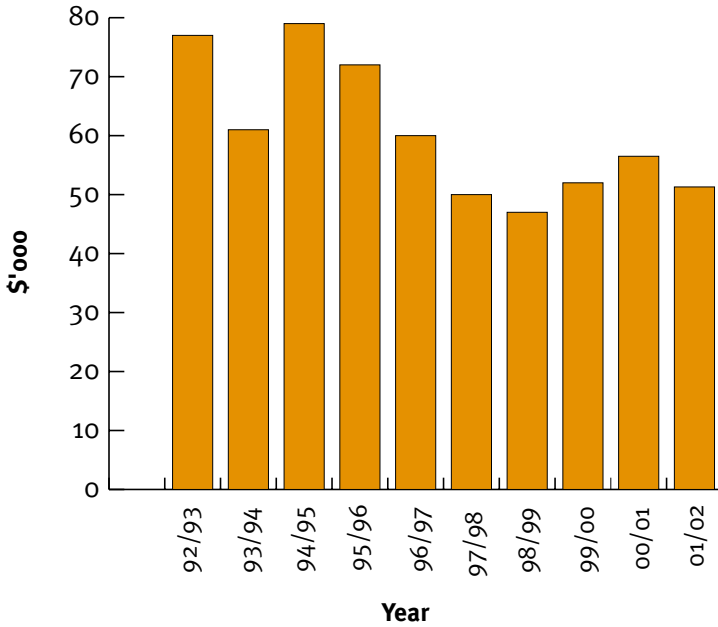
Other environmental measures included:

- ▶ installation of a new coolant management system to eliminate handling risk; and
- ▶ replacement of the current waste silver reclamation process to eliminate handling and transportation risk.

### Electricity Cost



### Gas Cost



## MANAGEMENT AND STAFFING

### RESOURCING

The Mint's workload reached its highest level for some years in July 2000, due to the need to maintain RAM's core programs whilst at the same time handling the pressures of the Sydney 2000 Olympic Coin Program and associated activity (including the Paralympic Coin Program and the production of victory medals for the Sydney Games). These demands were met by a workforce of some 120 ongoing employees and up to 70 temporary and casual personnel.

Resource levels fell somewhat during 2000-01, but as noted in last year's report, the reduction was less than expected, due to the workload involved in winding down the Sydney 2000 Olympic Coin Program and implementing a substantial special program to commemorate the Centenary of Federation.

As the Centenary year progressed, consideration was given by the Senior Management Team to the most appropriate shape and size for the Mint's numismatic and other programs in the post-Centenary environment. Having regard to the conclusions reached, a two-stage Organisation and Resourcing Review was undertaken in July-August 2001, aimed at reducing the Mint's ongoing employee numbers from 115 to about 95, with accompanying reductions in casual and temporary personnel.

The first stage allowed employees to put their names forward if they wished to be offered voluntary retrenchment. The second stage, taking account of the results of Stage 1, was undertaken by Ms Glenys Roper, former RAM Controller, assisted by Mr Colin Mickleburgh, then STOCP Marketing Director, and focused on the potential for further savings through streamlining of processes.

The result of the two-stage Review, together with a small number of departures already planned and agreed, was a reduction to the target employment level - of 95 ongoing and around 25 casual/temporary personnel - by Christmas 2001. In all, 20 employees accepted voluntary retrenchment offers, three employees resigned and one was retired on invalidity.

Among those leaving in the period August-December 2001 were three Senior Managers:

- ▶ Mr Ian Hamilton, Director Special Projects (after 32 years service);
- ▶ Mr Rod Gardiner, Director Production (after 29 years service); and
- ▶ Mr Colin Mickleburgh, Marketing Director, Sydney 2000 Olympic Coin Program (after six years service).

All three had made major contributions to the Mint over a number of years. In his long career with RAM, Rod Gardiner occupied a number of crucial positions, culminating in his appointment as Director Production in April 1998. Also of great importance were the central roles performed by Ian Hamilton and Colin Mickleburgh in the Sydney 2000 Olympic Coin Program from its development in 1996 through to its final closure in 2001-02.

The departure of these senior managers, together with employees at a variety of levels and across all major functional areas of the Mint, involved the loss of a very substantial body of

experience, knowledge and expertise, and the Mint wishes them well in their future career or retirement activities.

During the year the Mint was pleased to welcome four new employees, including Leone Fuz as Executive Assistant to the Controller, Michael Bradley as Finance Manager, and two new apprentices, Darren Bulley and Anthony Williams.

## ORGANISATION

In July 2001, minor changes were made to functional allocations and reporting lines, to:

- ▶ include Information Technology & Systems within the responsibilities of the Director Finance & Supply, and retitle the Directorate as Finance & Systems; and
- ▶ include Occupational Health & Safety within the responsibilities of the Manager Human Resources.

As mentioned in the Overview and Operations chapters, major changes were made to the management structure of the Mint following the 2001 Organisation and Resourcing Review, to reduce the number of Directorates from four to three by rationalising and amalgamating the previous Production and Facilities & Quality Directorates. This step was taken having regard to the outcome of Stage 1 of the O&R Review.

The new organisational arrangements have helped to clarify areas of responsibility and reduce unnecessary overlap. They have also allowed some further rationalisation of processes and resourcing to be carried out within the Operations Directorate, as similar steps were taken in Finance & Systems and Marketing.

## RAM AGENCY AGREEMENT

The third RAM Agency Agreement to be negotiated under section 170LJ of the *Workplace Relations Act 1996* was certified by the Australian Industrial Relations Commission on 23 April 2002 and will expire at the end of December 2003. The Agreement, like its two predecessors, was negotiated using a 10-member Workplace Agreement Group chaired by the Controller and including two appointed management representatives, three elected employee representatives, and officials and workplace delegates representing the two unions with members in the Mint. Between Agreement negotiations, the Group operates as the Mint Consultative Forum, with appointed and elected members changing from time to time. This has proven to be a most effective ongoing vehicle for management/employee/union consultation on employment-related issues affecting Mint people.

The 2002-2003 Agreement delivered a 4 percent pay increase from 4 March 2002, and provides for a 3 percent increase 12 months later, this second increase to be funded by specific productivity initiatives. Some adjustments to allowances and an increase in the flexibility of support leave provisions were also provided, and part of the first increase was awarded in return for a commitment by management and employees to work cooperatively to implement the improved and strengthened performance management system specified in the Agreement.

Underpinning the new Agreement was an internal audit review of the Mint's Performance Management System, completed in time for its conclusions to be fed into the negotiating process in late 2001. Also crucial to the process was the work of the Productivity Improvement Committee (PIC), established following an earlier internal audit review under the chairmanship

of the Director Operations to facilitate and coordinate a continuous productivity improvement program in the Mint.

The PIC delivered productivity savings to offset a large part of the 4 percent pay increase awarded in March 2002. These were separate from the management-initiated savings achieved through the Organisation and Resourcing Review mentioned above. The PIC will be working to deliver productivity measures to offset the entire 3 percent pay increase provided for in March 2003.

The PIC is also responsible for operating the Mint's Suggestion Scheme, and has replaced the old scheme with a new more efficient and simplified one. Two employees received suggestion awards of \$1,386 and \$3,550 during the year.

## WORKPLACE DIVERSITY

### Work & Family

To assist employees in balancing work, family and other caring responsibilities effectively, the Agency Agreement's leave provisions allow employees to use their personal leave entitlement to care for an immediate family member who is sick. Also Executive level employees are able to make use of flexible working hours and flexleave in the same way as all other Mint employees.

The Employee Assistance Program (Davidson-Trahaire) is well recognised by all levels of staff employed at the Mint. It provides specialised support and counselling services to employees and their families on work and family matters.

### EEO Group Employees

The Mint respects and values the cultural differences of its workforce, half of which comprises employees from countries where English is not the spoken language.

In order to draw on the broadest range of ideas and perspectives from employees, members of the Mint Consultative Forum agreed to operate as mentors to EEO group employees who have difficulty in getting their needs understood and recognised. This will be reinforced during 2002-03, and other measures considered if necessary.

At the conclusion of negotiations on the 2002-2003 Agreement, summary documentation was provided to employees in four languages, as a basis for group information sessions before any ballot took place.

Included in the Agreement are new arrangements to address and remove employment-related disadvantages to employees at APS1 level, most of whom belong to EEO groups. These new arrangements ensure employees at the lowest classification level are given specific training within a given timeframe, so as to enable them to achieve the required competencies for advancement to APS2 level within the Mint's broadband pay structure.

## TRAINING

A substantial reduction in staffing resources and the merging of two Directorates into one put greater emphasis on the training of employees in both the technical and management areas of the Mint. To meet operational requirements, a greater amount of on the job training was conducted than in previous years, resulting in a lift in skill levels to offset a decline in numbers and therefore back-up resources.

The Training and Development Committee, comprising the HR Manager, three Mint Directors and the Training Manager, met on a regular basis to discuss current and future staff development and training plans.

In the area of technical development:

- three people attended the TEMAN technical conference in Brunei in July 2001;
- four people, including the Controller, travelled to Japan as delegates to the Mint Directors Conference in Osaka in April 2002; and
- 23 toolroom and maintenance employees attended the Biennial Engineering Exhibition in Sydney in May 2002.

On the management front, the Controller participated in several meetings of a Learning Set for heads of small/medium agencies that was established under the auspices of the Public Service Commission, and the Senior Management Team took part in a facilitated planning and teambuilding workshop that led to the development of a specially designed Middle Manager Training Program, to continue into next year.

OH&S training continued to be an area of high importance and included OH&S Training for Managers, risk and hazard identification, emergency evacuation and security training.

As mentioned above, an apprentice electrician and an apprentice toolroom mechanic commenced in January, increasing the number of apprentices employed from one to three.

Total cost of training in 2001-02 was approximately \$49,000, including training courses attended, in-house training, study assistance and associated costs, but excluding overseas travel and accommodation costs.

## INTERNAL AND EXTERNAL SCRUTINY

The Australian National Audit Office conducted the annual audit of the Mint's financial statements, including the final financial statements of the Sydney 2000 Olympic Coin Program.

Ernst & Young again undertook an internal audit program on the Mint's behalf, the nature and scope of which took account of issues raised by the ANAO in its closing report on the 2000-01 accounts as well as development issues identified by the Mint itself. During the year major reviews were undertaken of:

- accounts payable processing;
- risk assessment and fraud control (leading to the development of a discrete fraud control plan for the Mint);
- RAM's Performance Management System; and
- pre-financials on RAM and STOCP.

Further work was done to develop the Mint's costing and cost attribution methodology, following on from the internal audit review that was part-completed in 2000-01, and reviews of asset management and e-commerce were under way at the end of June 2002.

ANAO performance audits including the Mint were undertaken on GST processing and physical security.

Following an independent audit by QAS in June 2002, RAM retained its ISO 9002 quality management status for the eleventh consecutive year.

OH&S audit activity is dealt with below.

## OCCUPATIONAL HEALTH AND SAFETY

The National Safety Council of Australia conducted two minor audits and one major audit during the year to confirm the status of RAM's 2001-2002 Continuous Improvement Action Plan. In June 2002 RAM was awarded for the eighth consecutive year the NSCA's 5 Star Award for its occupational health and safety management system. The management system demonstrated a continued commitment to OH&S, achieving a commendable 99.1 percent in the audit.

RAM continues to be the only organisation within the Australian Capital Territory to achieve this status and is ranked amongst only a few organisations nationally to retain that status for eight consecutive years.

In October 2001 RAM was further recognised for its efforts to provide the safest workplace in Australia, receiving an OH&S Management System Award from ACT WorkCover. Then in November 2001 RAM was awarded an Outstanding Achievement Award by the National Safety Council of Australia for excellence in OH&S.

RAM also received a High Commendation Award from Comcare as part of the Safety, Rehabilitation and Compensation Commission 2002 Safety Awards. RAM continues to be privileged with OH&S self-audit status by the Safety, Rehabilitation and Compensation Commission until 2003. RAM remains one of only four Commonwealth organisations to be granted such status.

Two internal audits were undertaken during the year, in addition to the regular workplace inspections, ensuring that pressure vessels and confined space areas conformed to specific legislative requirements.

The OH&S Committee and the OH&S Representatives continued to hold meetings at two monthly intervals throughout the year, fulfilling their respective legislative responsibilities.

RAM continued its Health Surveillance Program and provided free influenza vaccination for those employees wishing to take advantage of the opportunity. Current indications are that absenteeism due to flu-related illness has been reduced by up to 40 percent with the provision of regular vaccination.

A back care and work-conditioning program was introduced in May 2002 to reduce the incidence of musculo-skeletal dysfunction. This program emphasised how the body is used and provided a practical means of assessing that usage in the reduction of workplace injuries.

Blood and biochemistry (kidney and liver function) tests were conducted for all employees whose normal occupations exposed them to hazardous materials. A further 12 employees received screening tests specifically for occupational overexposure to chromium and nickel. All employees subjected to screening returned results well within acceptable limits, indicating a further decrease in the incidence of occupational overexposure. This is a result of continual improvements in work practices, machinery and equipment upgrading and training staff in the safe storage, use and handling of hazardous materials.

RAM has continued throughout the year to comply with the provisions of the *Occupational Health and Safety (Commonwealth Employment) Act 1991* and has not received directives or provisional improvement notices under any section of the Act.

Section 68 of the *Occupational Health and Safety (Commonwealth Employment) Act 1991* requires employers to notify and report certain incidents to Comcare. In compliance with the Regulations two incidents were reported to Comcare this year.

## DISABILITY STRATEGY

With regard to the Mint's tourist facility, obligations under the *Disability Discrimination Act 1992* were extensively addressed in 2000 when wheelchair access to the building was improved with the construction of a ramp, providing easier access to the Mint shop, café and theatre. The needs of disabled visitors are monitored on a continuing basis and items for improvement are included in the business plan and provided for in the annual budget.

The Mint Web site, which allows customers to order Mint products via the Internet, complies with *Web Content Accessibility Guidelines (WC3)*.

Special needs of employees with disabilities are individually assessed and monitored and where necessary, adjustments are made to their working environment (e.g through modification of workstations, and access to special software) and special equipment is provided.

## FINANCE AND SYSTEMS

### FINANCIAL PERFORMANCE

The financial year 2001-02 was as challenging for the Mint as it was for other commercial enterprises in Australia and elsewhere. However, through improved efficiency, careful product planning and targeted marketing, the Mint achieved better than its budgeted profit and rate of return.

The Mint's operating profit before company tax and net of seigniorage was \$2.015m. This represents another strong profit for RAM core product and corporate and shop sales of \$1.890m, compared with \$1.868m for the previous year.

The Sydney 2000 Olympic Coin Program joint venture was wound up on 30 June 2002 and recorded a net profit for each Mint of \$0.125m for the financial year.

The profit before tax represents a return on gross assets, excluding CSOs (ie the Coin Museum and approved excess circulating coining inventory), of 14.82 percent.

Following on from the strong numismatic sales of 2000-01, this year's numismatic sales were again robust at \$20.097m.

Sales of corporate and other product increased by 7 percent to \$3.017m for the year. This was due in part to foreign coin production orders from Nepal, New Zealand and Estonia yielding revenue of \$1.383m.

Expenditure excluding materials decreased from \$14.6m in 2000-01 to \$13.8m in 2001-02 as conscious efforts were made to rein in costs after the build up during the STOCP and Centenary of Federation years. Expenditure as a percentage of revenue was 21.1 percent.

Over the year the Mint returned \$127.446m to consolidated Revenue in seigniorage, royalties and other payments.

Inventory holdings rose from \$14.01m in 2000-01 to \$17.22m due to increased holdings of circulating coin blanks for the year 2001-02. Capital acquisitions for computers to ensure the continued development of a more robust e-commerce platform and acquisitions of much needed manufacturing plant amounted to \$0.7m.

As mentioned in the Overview chapter, the Mint delivered to the Commonwealth approximately \$0.5m in savings by negotiating with Poongsan Corporation of Korea a two-year fixed price contract for the supply of circulating coin blanks that took advantage of historic low base metal prices. The contract also included a 24 percent reduction in conversion costs.

### FINANCIAL MANAGEMENT AND SYSTEMS

In 2001-02 the emphasis in Finance was on moving ahead with the new financial management framework and processes introduced late last financial year – recognising that the financial management framework is integral to the structures, processes, controls and behaviours that constitute effective corporate governance in the Mint.

The focus of the Finance function shifted away from transaction processing and reporting

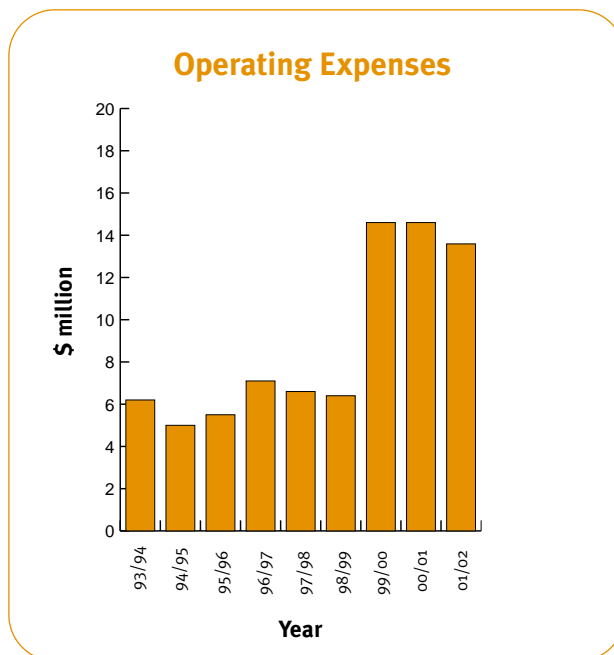
towards a role more fully integrated into the strategic and daily business activities of the Mint. This role involves a greater capacity for data analysis, interpretation, and flexible reporting to support decision making. To achieve better use of financial information and more user friendly reports, a more structured approach is being developed to collecting, analysing, producing and using financial information to help managers at all levels to manage.

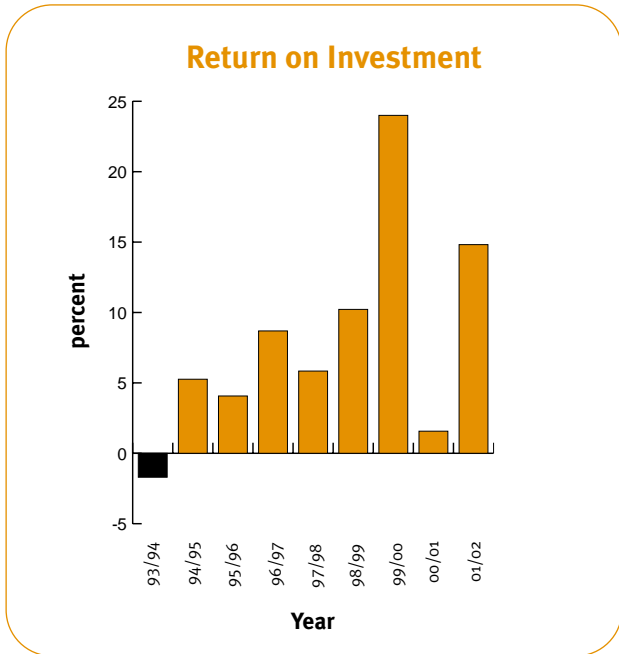
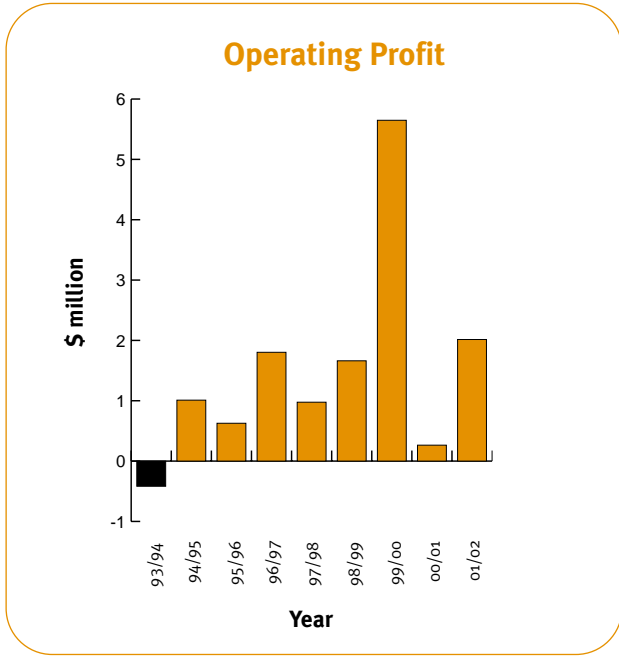
The financial management improvement process was assisted by the developmental aspects of the Mint’s internal audit program, as well as by several valuable performance audits by the ANAO in which RAM participated, including a review of GST processing.

To ensure that the overall objectives of the Mint are achieved a Finance and Systems Directorate Five Year Plan was developed, encompassing the requirements for the Mint’s strategic plan.

The Systems area also shifted its focus, from help desk and problem solving services towards a greater emphasis on strategic thinking and planning. During the year:



- ▶ the Mint continued to work towards achieving full value from the Streamline ERP system including implementing and testing fixes and modifications to meet the Mint’s GST requirements;
- ▶ additional steps were taken to ensure our network was well protected and had no contamination from the many viruses that surfaced during the year;
- ▶ 80 desktop computers were replaced, and we commenced a review of the Mint’s network with a view to a possible upgrade aimed at reducing processing times and improving customer service; and
- ▶ an intranet site was designed and built in-house, for use by staff. This site is seen as a platform for further work to be undertaken in the coming year on the development of knowledge management within the Mint.





## ANNEXES

## ANNEX 1 – INDEPENDENT AUDIT REPORT 2001-02

**INDEPENDENT AUDIT REPORT**

**To the Parliamentary Secretary to the Treasurer**

**Scope**

I have audited the financial statements of Royal Australian Mint for the year ended 30 June 2002. The financial statements comprise:

- Statement by the Secretary to the Treasury, the Royal Australian Mint's Controller and the Director of Finance;
- Statements of Financial Performance, Financial Position and Cash Flows;
- Schedules of Commitments and Contingencies; and
- Notes to and forming part of the Financial Statements.

The Secretary to the Treasury, the Royal Australian Mint's Controller and Director of Finance are responsible for the preparation and presentation of the financial statements and the information they contain. I have conducted an independent audit of the financial statements in order to express an opinion on them to you.

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

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

GPO Box 707 CANBERRA ACT 2601  
Centenary House 19 National Circuit  
BARTON ACT  
Phone (02) 6203 7300 Fax (02) 6203 7777

**Audit Opinion**

In my opinion the financial statements:

- (i) have been prepared in accordance with Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*; and
- (ii) give a true and fair view, in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia and the Finance Minister's Orders, of the financial position of the Royal Australian Mint as at 30 June 2002, and its financial performance and cash flows for the year then ended.

Australian National Audit Office



Trevor Burgess  
Group Executive Director

Delegate of the Auditor-General

Canberra  
23 August 2002

**ANNEX 2 — STATEMENT BY THE SECRETARY TO THE TREASURY,  
AND THE CONTROLLER AND FINANCE DIRECTOR OF THE MINT**

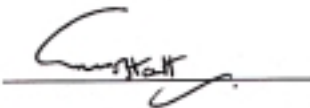
**ROYAL AUSTRALIAN MINT**

In our opinion, the attached financial statements give a true and fair view of the matters required by Schedule 1 of the Financial Management and Accountability (Financial Statements 2001-2002) Orders made under s.63 of the *Financial Management and Accountability Act 1997*.

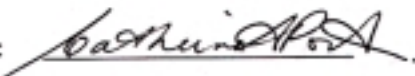
Signed at Canberra on 22 August 2002 in accordance with decision of the Royal Australian Mint Management.

Signed: 

Dr K. Henry (Secretary to the Treasury)

Signed: 

G.W.B. Moffatt (Controller)

Signed: 

C.A. Porter (Director, Finance)

### ANNEX 3 – ROYAL AUSTRALIAN MINT STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2002

	Notes	2001-2002 \$'000	2000-2001 \$'000
<b>REVENUE FROM ORDINARY ACTIVITIES</b>			
Resources provided free of charge	3	80	80
Sales of goods and services	4	65,477	48,916
Interest		764	173
Gain from STOCP joint venture	5	125	-
<b>Total revenues from ordinary activities</b>		<b>66,446</b>	49,169
<b>EXPENSES FROM ORDINARY ACTIVITIES</b>			
Employees	6	6,132	6,319
Suppliers	7	55,719	38,339
Depreciation and amortisation	8	528	974
Loss from STOCP joint venture	9	-	1,604
Repurchase of numismatic coins		660	537
Royalty on numismatic sales		1,345	1,050
Disposal of assets	10	47	81
<b>Total expenses from ordinary activities</b>		<b>64,431</b>	48,904
<b>Net operating surplus (deficit) from ordinary activities</b>		<b>2,015</b>	264
<b>Net operating surplus (deficit) before income tax</b>		<b>2,015</b>	264
Less Company Tax equivalent		603	79
<b>Net operating surplus (attributable to the Commonwealth)</b>		<b>1,412</b>	185
Net credit (debit) to asset revaluation reserve	22	-	(1,501)
Total revenues, expenses and valuation adjustments recognised directly in equity		-	(1,501)
<b>Total changes in equity other than those resulting from transactions with owners as owners</b>	22	<b>1,412</b>	(1,316)

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

## ANNEX 4 – ROYAL AUSTRALIAN MINT STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2002

	Notes	2001-2002 \$'000	2000-2001 \$'000
<b>ASSETS</b>			
<b>Financial assets</b>			
Cash	12	2,064	1,629
Receivables	13	1,425	4,353
Investments	14	-	675
<b>Total financial assets</b>		<b>3,489</b>	<b>6,657</b>
<b>Non-financial assets</b>			
Inventories	15	17,222	14,014
Infrastructure, plant and equipment	16,18	3,071	2,578
Intangibles	17,18	426	457
Other	19	4,884	5,214
<b>Total non-financial assets</b>		<b>25,603</b>	<b>22,263</b>
<b>Total assets</b>		<b>29,092</b>	<b>28,921</b>
<b>LIABILITIES</b>			
<b>Provisions</b>			
Employees	20	2,429	2,748
Other provisions	20	21	452
<b>Total provisions</b>		<b>2,450</b>	<b>3,200</b>
<b>Payables</b>			
Suppliers	21	1,930	3,615
Other	21	3,673	2,792
<b>Total payables</b>		<b>5,603</b>	<b>6,407</b>
<b>Total liabilities</b>		<b>8,053</b>	<b>9,608</b>
<b>Equity</b>			
Reserves	22	2,994	2,994
Capital injection	22	313	-
Accumulated profits	22	17,732	16,319
<b>Total equity</b>		<b>21,039</b>	<b>19,313</b>
<b>Current liabilities</b>		<b>6,639</b>	<b>8,333</b>
<b>Non-current liabilities</b>		<b>1,413</b>	<b>1,275</b>
<b>Current assets</b>		<b>21,935</b>	<b>22,226</b>
<b>Non-current assets</b>		<b>7,157</b>	<b>6,695</b>

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

## ANNEX 5 – ROYAL AUSTRALIAN MINT STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2002

	Notes	2001-2002 \$'000	2000-2001 \$'000
		Inflows (Outflows)	Inflows (Outflows)
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Sales of goods and services		69,531	50,438
Interest		693	173
<b>Total cash received</b>		<b>70,224</b>	50,611
<b>Cash used</b>			
Suppliers		(65,581)	(38,130)
Employees		(7,332)	(6,523)
<b>Total cash used</b>		<b>(72,913)</b>	(44,653)
<b>Net cash from operating activities</b>	23	<b>(2,689)</b>	5,958
<b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Other		620	-
Proceeds from sales of property, plant and equipment		33	13
<b>Total cash received</b>		<b>653</b>	13
<b>Cash used</b>			
Purchase of property, plant and equipment		(673)	(485)
<b>Total cash used</b>		<b>(673)</b>	(485)
<b>Net cash from investing activities</b>		<b>(20)</b>	(472)
<b>FINANCING ACTIVITIES</b>			
<b>Cash received</b>			
Trust fund surplus withheld/transferred		3,303	-
<b>Total cash received</b>		<b>3,303</b>	-
<b>Cash used:</b>			
Trust fund surplus withheld/transferred		(159)	(4,280)
<b>Total cash used</b>		<b>(159)</b>	(4,280)
<b>Net cash from financing activities</b>		<b>3,144</b>	(4,280)
Net increase/(decrease) in cash held		435	1,206
Cash at the beginning of the reporting period		1,629	423
<b>Cash at the end of the reporting period</b>	12	<b>2,064</b>	1,629

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

## ANNEX 6 – ROYAL AUSTRALIAN MINT SCHEDULE OF COMMITMENTS AS AT 30 JUNE 2002

	2001-2002 \$'000	2000-2001 \$'000
<b>BY TYPE</b>		
CAPITAL COMMITMENTS	-	-
<b>Total capital commitments</b>	-	-
<b>OTHER COMMITMENTS</b>		
Operating Leases <sup>1</sup>	979	1,320
Other commitments <sup>2</sup>	5,800	1,239
<b>Total other commitments</b>	6,779	2,559
<b>Net commitments</b>	6,779	2,559
<b>BY MATURITY</b>		
<b>All net commitments</b>		
One year or less	5,358	40
From one to five years	1,421	2,443
Over five years	-	76
<b>Net commitments</b>	6,779	2,559
<b>Operating lease commitments</b>		
One year or less	6	14
From one to five years	973	11
Over five years	-	1,295
<b>Net operating lease commitments</b>	979	1,320

NB: Commitments are GST inclusive where relevant

<sup>1</sup> Operating leases included are effectively non-cancellable and comprise:

Nature of lease	General description of leasing arrangement
Leases for office accommodation	The initial period of office accommodation lease is still current and may be renewed for a further 5 years at RAM's option
Motor vehicles – senior executives	There are no renewal or purchase options available to the RAM
Motor vehicles – RAM operating use	There are no renewal or purchase options available to the RAM

<sup>2</sup> As at 30 June 2002, other commitments comprise amounts payable under agreements in respect of which the recipient is yet perform the services required.

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

**ANNEX 7 – ROYAL AUSTRALIAN MINT  
SCHEDULE OF CONTINGENCIES AS AT 30 JUNE 2002**

	2001-2002 \$'000	2000-2001 \$'000
<b>CONTINGENT LOSSES</b>		
<b>Total contingent losses</b>	-	-
<b>CONTINGENT GAINS</b>		
<b>Net contingencies</b>	-	-

**UNQUANTIFIABLE CONTINGENCIES**

At 30 June 2002, the Royal Australian Mint had one legal claim against it for workers compensation. It is not possible to estimate the amount of any eventual payment which may be required in relation to this claim.

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

## ANNEX 8 – ROYAL AUSTRALIAN MINT

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

<b>Note</b>	<b>Description</b>
1	Summary of significant accounting policies
2	Economic dependency
3	Resources received free of charge
4	Sales of goods and services
5	Gain from STOCP joint venture
6	Employee expenses
7	Suppliers expenses
8	Depreciation and amortisation expenses
9	Loss from STOCP joint venture
10	Proceeds and expenses from sale of assets
11	Details of payments to Commonwealth
12	Cash
13	Receivables
14	Investment
15	Inventories
16	Infrastructure, plant and equipment
17	Intangibles
18	Analysis of infrastructure, property, plant, equipment and intangibles
19	Other non-financial assets
20	Provisions
21	Payables
22	Equity
23	Reconciliation of net cash provided by operating activities to operating profit
24	Auditors remuneration
25	Related parties transactions
26	Remuneration of officers
27	Financial instruments

## 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 1.1 Basis of accounting

The financial statements are required by section 49 of the *Financial Management and Accountability Act 1997* and are a general purpose financial report.

The statements have been prepared in accordance with:

- ▶ Schedule 1 of the Financial Management and Accountability (Financial Statements 2001-2002) Orders;
- ▶ Australian Accounting Standards and Accounting Interpretations issued by Australian Accounting Standards Boards;
- ▶ Other authoritative pronouncements of the Boards; and
- ▶ Consensus Views of the Urgent Issues Group.

The statements have been prepared having regard to:

- ▶ Statements of Accounting Concepts;
- ▶ The Explanatory Notes to Schedule 1 issued by the Department of Finance and Administration; and
- ▶ Guidance Notes issued by that Department

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

### 1.2 Changes in Accounting Policy

Changes in accounting policy have been identified in this note under their appropriate headings.

### 1.3 Seigniorage and repurchase of circulating coins

Seigniorage is collected by the Mint on behalf of the Commonwealth. Seigniorage represents the difference between the face value of coinage sold to the Reserve Bank of Australia and its cost of production to the Mint.

The Mint repurchases circulating coins on behalf of the Commonwealth. The costs incurred by the Mint in repurchasing circulating coins are offset to an extent by the sale of scrap metal and the balance is supplemented by the Commonwealth via a reduction in the total amount paid to the Department of the Treasury (refer Note 12).

The revenues from circulating coin sales are not directly available to be used by the Mint for its own purposes and are remitted to the Commonwealth's Official Public Account. Seigniorage for 2001-02 is \$129.538m (2000-01 \$59.838m).

### 1.4 Revenues

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Interest revenue is recognised on the basis of the interest rate applicable to the financial assets.

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.

### 1.5 Rounding

Amounts are rounded to the nearest \$1,000.

### 1.6 Cash

For the purpose of the Statement of Cash Flows, cash includes deposits held at call with a bank.

## 1.7 Infrastructure, plant and equipment

### *Asset recognition threshold*

Purchases of infrastructure, plant and equipment are recognised initially at cost in the Statement of Financial Position, except for purchases costing less than \$2,000 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*

Schedule 1 requires that infrastructure, plant and equipment are progressively revalued in accordance with the 'deprival' method of valuation in successive 3-year cycles.

A valuation of infrastructure, plant and equipment (except master tooling) was performed on 30 June 2001. The valuation was performed by the Australian Valuation Office and was based on valuing the assets at depreciated replacement cost.

Valuations are on a three year basis. Acquisitions subsequent to the valuation are valued at historic cost.

### *Recoverable amount test*

The carrying amounts of plant and equipment of the Mint have been reviewed to determine whether they are in excess of their recoverable amounts. In assessing recoverable amounts, the relevant cash flows have not been discounted to their present value.

### *Depreciation and Amortisation*

Depreciable items of plant and equipment are written off to their estimated residual values over their estimated useful lives to the Mint using the straight-line method of depreciation. Useful lives and residual values are reviewed at each balance date and necessary adjustments made.

Depreciation rates applying to each class of depreciable asset are as follows:

	2001-2002	2000-2001
<b>Infrastructure, plant and equipment</b>		
Office equipment	5 years	5 years
Factory machinery	10-20 years	10-20 years

The depreciation policy is not applied to master tooling (dies and plasters), refer note 16.

## 1.8 Intangible assets

Where recognised, intangible assets are reported at the lower of cost or recoverable amount.

Intangible assets are amortised on a straight line basis over their anticipated useful lives.

Useful lives are:

	2001-2002	2000-2001
Capitalised software costs	3 to 5 years	3 to 5 years

## 1.9 Inventories

Inventories are brought to account at the lower of cost and net realisable value. Work in progress and finished goods are brought to account to include direct costs and a proportion of direct labour and overhead. All precious metals are purchased and brought to account at cost and expensed as used. Indirect materials are expensed at time of purchase.

## 1.10 Employee Entitlements

### *Leave*

The liability for employee entitlements encompasses 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 Mint is estimated to be less than the annual entitlement for sick leave.

The liability for annual leave reflects the value of total annual leave entitlements of all employees at 30 June 2002 and is recognised at its nominal value.

The non current portion of the liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at 30 June 2002. In determining the present value of the liability, attrition rates and pay increases through promotion and inflation have been taken into account.

### *Separation and Redundancy*

Provision is also made for separation and redundancy payments in cases where the Mint has formally identified positions as excess to requirements and a reliable estimate of the amount payable can be determined.

### *Superannuation*

Eligible ongoing employees contribute to the Commonwealth Superannuation Scheme and the Public Sector Superannuation Scheme. Employer contributions amounting to \$561,550 (2001-2002: \$636,872) for the Mint in relation to these schemes have been expensed in these financial statements.

No liability is shown for superannuation in the Statement of Financial Position as the employer contributions fully extinguish the accruing liability which is assumed by the Commonwealth.

Employer Superannuation Productivity Benefit contributions totalled \$116,338 (2000-2001: \$128,382) for the Mint.

### 1.11 Bad and doubtful debts

Bad debts are written off to expense during the year in which they are identified, to the extent they have not been previously provided for. A provision is raised for doubtful debts based on a review of all outstanding accounts at year end.

### 1.12 Foreign currency transactions

Transactions denominated in a foreign currency are converted at the rate of exchange prevailing at the date of the transaction. At balance date, amounts receivable and payable in foreign currency are translated at the exchange rate prevailing at that date and any differences are brought to account in the Statement of Financial Performance. Where a purchase is specifically hedged, exchange gains or losses on the hedging transaction arising up to the date of purchase or sale and costs, premiums and discounts relative to the hedging transaction are included with the purchase or sale. Exchange gains and losses arising on the hedge transaction after that date are taken to the Statement of Financial Performance.

### 1.13 Taxation

The Mint is liable for all forms of taxation including Payroll tax, Companies Income Tax, Fringe Benefit Tax and Goods and Services Tax on sales of products. Companies Income Tax became applicable for the first time in 1998-1999, as a result of the competitive neutrality arrangements.

### 1.14 Financial instruments

Accounting policies in relation to financial instruments are disclosed in Note 28.

### 1.15 Comparative figures

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

### 1.16 Investment in Sydney 2000 Olympic Coin Program (STOCP)

#### (i) General

The Royal Australian Mint and The Perth Mint are joint venturers in the Sydney 2000 Olympic Program manufacturing, marketing and distributing Sydney 2000 Olympic Coins. This venture concluded in June 2002.

The Royal Australian Mint's interest in the STOCP is carried at the recoverable amount.

The Sydney 2000 Olympic Coin Program consists of 28 base metal coins, 17 silver coins (including one kilo silver coin) and 8 gold coins.

#### (ii) Profit distribution

Distribution of any profits for 2001-2002 was made on the following basis:

	Royal Australian Mint	Perth Mint
Base metal	50%	50%
Silver	50%	50%
Gold	50%	50%

### 1.17 Capital Usage Charge

A capital usage charge of 12 per cent is imposed by the Commonwealth on net assets. The capital usage charge is not shown in these financial statements as it is reflected in the Treasury financial statements.

## 2 ECONOMIC DEPENDENCY

The Mint is economically dependent on the Reserve Bank of Australia for the purchase of circulating coin.

	2001-2002 \$'000	2000-2001 \$'000
<b>3 RESOURCES RECEIVED FREE OF CHARGE</b>		
Provision of audit services (ANAO)	80	80
<b>Total</b>	<b>80</b>	<b>80</b>

## 4 SALES OF GOODS AND SERVICES

Australian Circulating Coin Sales	42,363	20,802
Australian Numismatic Coin Sales	20,097	21,398
Sales to STOCP (Olympic Coins)	-	4,629
Other Sales non coin product	3,017	2,088
<b>Total</b>	<b>65,477</b>	<b>48,916</b>

## 5 GAIN FROM STOCP JOINT VENTURE

Profit from STOCP	125	-
<b>Total</b>	<b>125</b>	<b>-</b>

## 6 EMPLOYEE EXPENSES

Remuneration (for services provided)	5,405	6,204
Separation and Redundancy	727	115
<b>Total</b>	<b>6,132</b>	<b>6,319</b>

The Mint contributes to the Commonwealth Superannuation (CSS) and the Public Sector Superannuation (PSS) schemes which provide retirement, death and disability benefits to employees. Contributions to the schemes are at rates calculated to cover existing and emerging obligations. Current contribution rates are 21.1% (CSS) and 12.5% (PSS). An additional 3% is contributed for employer productivity benefits.

	2001-2002 \$'000	2000-2001 \$'000
<b>7 SUPPLIERS EXPENSES</b>		
Supply of goods and services	55,177	37,737
Operating lease rentals	542	602
<b>Total</b>	<b>55,719</b>	<b>38,339</b>

<b>8 DEPRECIATION AND AMORTISATION EXPENSES</b>		
Depreciation of infrastructure, plant and equipment	437	505
Amortisation of intangibles	91	469
<b>Total</b>	<b>528</b>	<b>974</b>

<b>9 LOSS FROM STOCP JOINT VENTURE</b>		
Loss from STOCP	-	1,604
<b>Total</b>	<b>-</b>	<b>1,604</b>

<b>10 PROCEEDS AND EXPENSES FROM SALE OF ASSETS</b>		
Revenue (proceeds) from sale	33	13
Expense from sale	(80)	(94)
<b>Total</b>	<b>47</b>	<b>81</b>

<b>11 DETAILS OF PAYMENTS TO COMMONWEALTH</b>		
Seigniorage	129,538	59,838
Royalty on Numismatic Coin Sales	1,319	1,049
STOCP royalties prior years overpaid	(447)	-
Company and Payroll Tax Equivalents	924	453
Loss from Withdrawn Circulating Coin	(857)	(582)
Trust Fund Surplus paid to the Commonwealth	159	4,280
STOCP Royalty to Treasury	113	4,961
Capital injection	(313)	-
Seigniorage withheld	(2,990)	-
Actual Surplus Funds Paid to the Commonwealth	127,446	70,000

	2001-2002 \$'000	2000-2001 \$'000
<b>12 CASH</b> (representing RAM and Coinage Trust Account)		
Cash at bank and on hand	2,064	1,629
Balance of cash as at 30 June shown in the Statement of Cash Flows	2,064	1,629

### 13 RECEIVABLES

Goods and services	1,478	4,378
Provision for doubtful debts	(54)	(25)
<b>Total</b>	1,425	4,353

Receivables (gross) which are overdue are aged as follows:

- less than 30 days	1,165	3,851
- 30 to 60 days	226	275
- 60 to 90 days	26	12
- more than 90 days	61	240
	1,478	4,378

### 14 INVESTMENT

Interest in the STOCP (at recoverable amount)	-	675
---	---	-----

	2001-2002 \$'000	2000-2001 \$'000
<b>15 INVENTORIES</b>		
Raw materials		
Australian circulating coin	<b>3,928</b>	5,009
Australian numismatic coin	<b>2,172</b>	2,141
Other	<b>520</b>	481
	<b>6,620</b>	7,631
Work in Progress		
Australian circulating coin	<b>1,905</b>	2,260
Australian numismatic coin	<b>323</b>	605
Other	<b>22</b>	35
	<b>2,249</b>	2,900
Finished goods		
Australian circulating coin	<b>7,125</b>	2,551
Australian numismatic coin	<b>1,193</b>	888
Other	<b>35</b>	43
	<b>8,353</b>	3,482
<b>Total</b>	<b>17,222</b>	14,014

## 16 INFRASTRUCTURE, PLANT AND EQUIPMENT

Plant and equipment - at cost	<b>1,724</b>	717
Accumulated depreciation	<b>(227)</b>	(101)
	<b>1,497</b>	616
Plant and equipment - at valuation	<b>7,911</b>	4,831
Revaluation 30 June 2001		3,390
Accumulated depreciation	<b>(6,589)</b>	(6,512)
	<b>1,322</b>	1,709
Plant and equipment (master tooling) - at cost		-
Plant and equipment (master tooling) - at valuation (1999-2000)	<b>252</b>	253
	<b>252</b>	253
Total Plant and equipment	<b>3,071</b>	2,578

Master tooling was valued by an independent appraiser at 30 June 2000 and includes all dies and plasters, although under the control of the Mint is not available to be sold or otherwise disposed of. Master tooling is not a depreciable asset.

	2001-2002 \$'000	2000-2001 \$'000
<b>17 INTANGIBLES</b>		
Computer software-at Cost	1,374	1,314
Accumulated amortisation	(948)	(857)
<b>Total</b>	<u>426</u>	<u>457</u>

## 18 ANALYSIS OF INFRASTRUCTURE, PROPERTY, PLANT, EQUIPMENT AND INTANGIBLES

*Table A – Movement summary 2001-02 for all assets irrespective of valuation basis*

	Plant & Equipment \$'000	Master Tooling \$'000	Intangibles \$'000	Total \$'000
Gross value as at 1 July 2001	8,937	253	1,314	10,504
Additions				
Replacement assets	1,008	-	-	1,170
Acquisition of New Assets			60	60
Revaluations				
Assets transferred in/ (out)				
Write-offs				
Disposals	(310)			
<b>Gross value as at 30 June 2002</b>	<u>9,635</u>	<u>253</u>	<u>1,374</u>	<u>11,261</u>
<b>Accumulated Depreciation /Amortisation As at 1 July 2001</b>	6,612	-	857	7,469
Depreciation/ amortisation charge for assets held 1 July 2001	437		91	528
Depreciation/ amortisation charge for additions				
Revaluation				
Assets transferred in/ (out)				
Write-offs				
Disposals	(233)			(233)
<b>Accumulated Depreciation/Amortisation As at 30 June 2002</b>	<u>6,816</u>	<u>-</u>	<u>948</u>	<u>7,764</u>
<b>Net Book Value 30 June 2002</b>	<u>2,818</u>	<u>253</u>	<u>426</u>	<u>3,497</u>
<b>Net Book Value 1 July 2001</b>	<u>2,325</u>	<u>253</u>	<u>457</u>	<u>3,035</u>

**Table B – Summary of balances of assets at valuation as at 30 June 2002**

	<b>Plant &amp; Equipment \$'000</b>	<b>Master Tooling \$'000</b>	<b>Intangibles \$'000</b>	<b>Total \$'000</b>
<b>As at 30 June 2002</b>				
Gross value	9,797	253	1,374	11,423
Accumulated depreciation/ amortisation	6,824		948	7,772
Net Book Value	2,972	253	426	3,651
<b>As at 30 June 2001</b>				
Gross value	8,221	253	-	8,474
Accumulated depreciation/ amortisation	(6,512)	-	-	(6,512)
Net Book Value	1,709	253	-	1,962

<b>2001-2002</b>	<b>2000-2001</b>
<b>\$'000</b>	<b>\$'000</b>

## 19 OTHER NON FINANCIAL ASSETS

Prepaid precious metal	722	539
Other prepayments	502	1,015
Coin collection - at valuation	3,660	3,660
<b>Total</b>	<b>4,884</b>	<b>5,214</b>

The coin collection was valued by an independent appraiser at 30 June 1999 and includes donated coins free of cost and, although under the control of the Mint, is classed as a restricted asset because it is not available to be sold or otherwise disposed of. The coin collection is not a depreciable asset.

	2001-2002 \$'000	2000-2001 \$'000
<b>20 PROVISIONS</b>		
<i>Employees</i>		
Salaries and wages	101	144
Superannuation	18	21
Annual leave	732	808
Long service leave	1,579	1,775
	<b>2,429</b>	<b>2,748</b>
<i>Other</i>		
Fees and sales in advance	21	452
	<b>21</b>	<b>452</b>
<b>Total</b>	<b>2,450</b>	<b>3,200</b>

## 21 PAYABLES

<i>Suppliers</i>		
Trade creditors	1,930	3,615
	<b>1,930</b>	<b>3,615</b>
<i>Other</i>		
GST Payable	328	2,098
Other	36	-
STOCP manual creditor	-	217
Trust fund surplus to be paid to the Commonwealth	318	477
	<b>682</b>	<b>2,792</b>
Seigniorage payable	<b>2,991</b>	<b>-</b>
<b>Total</b>	<b>5,603</b>	<b>6,407</b>

## 22 EQUITY

Item	Accumulated Profits		Asset revaluation Reserve		TOTAL EQUITY	
	2002	2001	2002	2001	2002	2001
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Balance 1 July 2001</b>	<b>16,319</b>	16,134	<b>2,994</b>	4,495	<b>19,313</b>	20,629
Operating Profit	<b>1,413</b>	185		-	<b>1,413</b>	185
Net revaluation increases/ (decreases)	-	-	-	(1,501)	-	(1,501)
Transfers to/ (from) reserves	-	-		-		-
Injection of Capital	<b>313</b>	-		-	<b>313</b>	-
<b>Other movements</b>						
Capital Use Charge	-	-		-		-
Changes in accounting	-	-		-		-
<b>Balance 30 June 2002</b>	<b>18,045</b>	16,319	<b>2,994</b>	2,994	<b>21,039</b>	19,313

2001-2002    2000-2001  
\$'000        \$'000

## 23 RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES TO OPERATING PROFIT

Operating Surplus/Deficit	<b>1,413</b>	185
Capitalised share of profit distribution	-	1,604
Loss/(gain) on disposal of non current assets	<b>47</b>	81
Depreciation and amortisation	<b>528</b>	974
Changes in asset and Liabilities		
(Increase)/decrease in receivables	<b>3,061</b>	(772)
(Increase)/decrease in inventories	<b>(3,208)</b>	(2,035)
(Increase)/decrease in other current assets	<b>329</b>	4,960
Increase/(decrease) in employee provisions	<b>(318)</b>	170
Increase/(decrease) in supplier liabilities	<b>(2,159)</b>	2,335
Increase/(decrease) in other liabilities	<b>(2,382)</b>	(1,544)
Net cash provided by operating activities	<b>(2,689)</b>	5,958

## 24 AUDITORS REMUNERATION

The Auditor-General in respect of the 2001-2002 financial statements provided audit services to the value of \$80,000 free of charge. This has been reported as an expense and a resource provided free of charge on the Statement of Financial Performance.

## 25 RELATED PARTIES TRANSACTIONS

The related party transactions with the STOCP are as follows:

	2001-2002 \$'000	2000-2001 \$'000
Sale of goods and services		
- Coin sales	-	4,629
Other income		
- Profit share	125	(1,604)
Investments		
Interest in STOCP	-	675

## 26 REMUNERATION OF OFFICERS

The number of executive officers who received or were due to receive income of \$100,000 or more:

	Number	
	2001-2002	2000-2001
\$150,000-\$159,999	-	1
\$170,000-\$179,999	1	-

Note: Performance pay not included.

## 27 FINANCIAL INSTRUMENTS

### 27 (a) Terms, conditions and accounting policies

<b>Financial Instrument</b>	<b>Notes</b>	<b>Accounting Policies and Methods (including recognition criteria and measurement basis)</b>	<b>Nature of underlying instrument (including significant terms and conditions affecting the amount, timing and certainty of cash flows)</b>
<b><i>Financial assets</i></b>			
		Financial assets are recognised when control over future economic benefits is established and the amount of the benefit can be reliably measured	
Receivables for goods and Services	13	Receivables are carried at nominal amounts due less any provision for doubtful debts. A provision for doubtful debts is recognised when collection of the full nominal amount is no longer probable.	Credit sales are on 30 day terms.
<b><i>Financial liabilities</i></b>			
Trade creditors and accruals	21	Creditors are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the entity.	Trade creditors are normally settled on 30 day terms.

### 27(b) Interest rate risk

The Mint's exposure to interest rate risks and the effective interest rates of financial assets and financial liabilities, both recognised and unrecognised at the balance date, are as follows:

Financial Instrument	Notes	Floating Interest rate		Non-Interest Bearing		Total		Weighted Average Effective Interest Rate	
		2002 \$000	2001 \$000	2002 \$000	2001 \$000	2002 \$000	2001 \$000	2002 %	2001 %
Financial Assets									
Cash at bank	12	2,064	1,629	-	-	2,064	1,629		
Receivables for goods and services	13	-	-	1,478	4,378	1,478	4,378	0	0
Less: provision for doubtful debts	13	-	-	(54)	(25)	(54)	(25)	0	0
Investment (STOCP)	14	-	-	-	675	-	675	0	0
<b>Total</b>		<b>2,064</b>	<b>1,629</b>	<b>1,425</b>	<b>5,028</b>	<b>3,489</b>	<b>6,657</b>		
<b>Total Assets</b>						<b>29,092</b>	<b>28,921</b>		
Financial Liabilities									
Trade creditors	21	-	-	1,930	3,615	1,930	3,615		
<b>Total</b>		<b>-</b>	<b>-</b>	<b>1,930</b>	<b>3,615</b>	<b>1,930</b>	<b>3,615</b>		
<b>Total Liabilities</b>						<b>8,053</b>	<b>9,608</b>		

**27(c) Net Fair values of Financial Assets and Liabilities**

Financial Assets	Notes	2001-2002		2000-2001	
		Total Carrying Amount \$'000	Aggregate Net Fair Value \$'000	Total Carrying Amount \$'000	Aggregate Net Fair Value \$'000
Cash at Bank	12	2,064	2,064	1,629	1,629
Receivables for goods and services	13	1,425	1,425	4,353	4,353
<b>Total Financial Assets</b>		<b>3,489</b>	<b>3,489</b>	<b>5,982</b>	<b>5,982</b>
<b>Financial Liabilities (Recognised)</b>					
Trade Creditors	21	1,930	1,930	3,615	3,615
<b>Total Financial Liabilities (Recognised)</b>		<b>1,930</b>	<b>1,930</b>	<b>3,615</b>	<b>3,615</b>
<b>Financial Liabilities (Unrecognised)</b>	Schedule of contingencies	-	-	-	-
<b>Total Liabilities (Unrecognised)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Financial Assets**

The net fair values of cash financial assets approximate their carrying amounts.

The net fair values for non-traded equity investments have been assessed on the basis of the underlying net assets, expected cash flows and any particular special circumstances of the investee.

Other than for listed financial assets, none of the classes of financial assets are readily traded on organised markets in standardised form.

**Financial Liabilities**

The net fair values for trade creditors all of which are short-term in nature, are approximated by their carrying amounts.

None of the classes of financial liabilities are readily traded on organised markets in standardised form.

**27(d) Credit risk exposures**

The Mint's maximum exposures to credit risk at reporting date in relation to each class of recognised financial assets is the carrying amount of those assets as indicated in the Statement of Financial Position.

The Mint does not have any significant exposures to any concentrations of credit risk.

All figures for credit risk referred to do not take into account the value of any collateral or other security.

**ANNEX 9 – AUSTRALIAN DECIMAL COIN ISSUED BY TREASURY**

<b>Year</b>	<b>\$2 \$'000</b>	<b>\$1 \$'000</b>	<b>50c \$'000</b>	<b>20c \$'000</b>	<b>10c \$'000</b>	<b>5c \$'000</b>	<b>2c \$'000</b>	<b>1c \$'000</b>	<b>Total \$'000</b>
1965-92	395,960	319,780	217,625	161,303	93,532	84,652	48,793	31,162	1,352,807
1992-93	16,460	7,150	50	56	4,000	3,874	---	---	31,590
1993-94	26,100	24,075	2,349	280	2,440	5,716	---	---	60,960
1994-95	39,000	37,600	9,920	3,080	3,240	5,540	---	---	98,380
1995-96	27,000	32,200	8,000	1,040	---	4,140	---	---	72,380
1996-97	26,800	24,300	6,960	3,160	---	4,360	---	---	65,580
1997-98	22,200	20,500	4,320	4,340	820	4,660	---	---	56,840
1998-99	32,400	18,900	7,480	7,180	5,740	5,920	---	---	77,620
1999-00	64,000	23,200	15,930	10,700	7,080	6,210	---	---	127,120
2000-01	31,600	16,000	8,760	9,660	7,320	7,300	---	---	80,640
2001-02	67,200	37,400	27,080	18,020	11,520	10,680	---	---	171,900
<b>Total</b>	<b>748,720</b>	<b>561,105</b>	<b>308,474</b>	<b>218,819</b>	<b>135,692</b>	<b>143,052</b>	<b>48,793</b>	<b>31,162</b>	<b>2,195,817</b>

**ANNEX 10 – CIRCULATING COIN PRODUCTION 2001-02**

Country	Denomination	Design	Date of Coin	Alloy	Pieces (million)	
Australia	5 Cent	Standard	2001	Cupro-Nickel	141.690	
	5 Cent	Standard	2002	Cupro-Nickel	68.560	
	10 Cent	Standard	2001	Cupro-Nickel	94.692	
	10 Cent	Standard	2002	Cupro-Nickel	26.240	
	20 Cent	Standard	2001	Cupro-Nickel	80.138	
	20 Cent	CoF <sup>1</sup> ACT	2001	Cupro-Nickel	1.000	
	20 Cent	CoF NI	2001	Cupro-Nickel	2.200	
	20 Cent	CoF NSW	2001	Cupro-Nickel	1.703	
	20 Cent	CoF NT	2001	Cupro-Nickel	2.100	
	20 Cent	CoF Qld	2001	Cupro-Nickel	1.000	
	20 Cent	CoF SA	2001	Cupro-Nickel	2.400	
	20 Cent	CoF Tas	2001	Cupro-Nickel	2.200	
	20 Cent	CoF Vic	2001	Cupro-Nickel	2.900	
	20 Cent	CoF WA	2001	Cupro-Nickel	2.400	
	20 Cent	Standard	2002	Cupro-Nickel	5.701	
	50 Cent	CoF	2001	Cupro-Nickel	39.544	
	50 Cent	CoF ACT	2001	Cupro-Nickel	2.000	
	50 Cent	CoF NI	2001	Cupro-Nickel	2.160	
	50 Cent	CoF NSW	2001	Cupro-Nickel	1.042	
	50 Cent	CoF NT	2001	Cupro-Nickel	2.080	
	50 Cent	CoF Qld	2001	Cupro-Nickel	2.320	
	50 Cent	CoF SA	2001	Cupro-Nickel	2.400	
	50 Cent	CoF Tas	2001	Cupro-Nickel	2.160	
	50 Cent	CoF Vic	2001	Cupro-Nickel	2.800	
	50 Cent	CoF WA	2001	Cupro-Nickel	2.400	
	1 Dollar	CoF	2001	Aluminium Bronze	26.905	
	1 Dollar	IYV <sup>2</sup>	2001	Aluminium Bronze	6.000	
	1 Dollar	Outback	2002	Aluminium Bronze	18.049	
	2 Dollar	Standard	2000	Aluminium Bronze	0.375	
	2 Dollar	Standard	2001	Aluminium Bronze	3.565	
	2 Dollar	Standard	2002	Aluminium Bronze	11.098	
	<b>Total</b>					<b>559.822</b>

1 Centenary of Federation

2 International Year of Volunteers

## ANNEX 11 – PROOF AND SPECIAL COIN PRODUCTION 2001-02

Country	Type	Date of Coin	No. of Sets	No. of Pieces
Australia	50 Cent, Proof Silver, Accession	2002	9,550	9,550
	50 Cent, Uncirculated PNC, Accession	2002	32,102	32,102
	\$1, Frunc Silver, Kangaroo, Collector	2001	2,656	2,656
	\$1, Frunc Silver, Kangaroo, Collector	2001	500	500
	\$1, Frunc Silver, Kangaroo, Collector	2002	19,836	19,836
	\$1, Frunc Silver, Kangaroo, Collector	2002	9,300	9,300
	\$1, Proof Silver, Centenary of Army	2001	2,216	2,216
	\$1, Proof Silver, Kangaroo	2001	753	753
	\$1, Proof Silver, Kangaroo	2002	6,604	6,604
	\$1, Proof Silver, YOTO	2002	11,855	11,855
	\$1, Proof Silver, Subscription	2002	13,329	13,329
	\$1, Uncirculated, 'C' Mint Mark, Army	2001	18,379	18,379
	\$1, Uncirculated, RAAF	2001	35,097	35,097
	\$1, Uncirculated, RAN	2001	57,195	57,195
	\$1, Uncirculated, 'B' Mint Mark, YOTO	2002	3,000	3,000
	\$1, Uncirculated, 'C' Mint Mark, YOTO	2002	54,526	54,526
	\$1, Uncirculated, 'S' Mint Mark, YOTO	2002	25,229	25,229
	\$5, Uncirculated, Bradman	2001	12,332	12,332
	\$5, Bimetallic, Aust Version	2002	30,481	30,481
	\$5, Bimetallic, US Version	2002	25,100	25,100
	\$5, Proof Aluminium Bronze	2002	9,551	9,551
	\$5, Proof Silver, Commonwealth Games	2002	6,184	6,184
	\$5, Proof Silver, Queen Mother	2002	10,600	10,600
	\$5, Proof Silver, Finale	2001	10,001	10,001
	\$10, Proof, Millennium	2001	20,001	20,001
	\$50, Proof, Commonwealth Games	2002	2,497	2,497
	\$100, Proof Gold, Wattle	2001	1,425	1,425
	\$100, Uncirculated Gold, Wattle	2001	913	913
	\$150, Proof, Wattle	2001	1,124	1,124
	2 Coin Set, Proof Shipper, ACT 20c&50c	2001	830	1,660
	2 Coin Set, Proof Shipper, NI 20c&50c	2001	1,624	3,248
	2 Coin Set, Proof Shipper, NT 20c&50c	2001	9,882	19,764
	2 Coin Set, Proof Shipper, Qld 20c&50c	2001	892	1,784
	2 Coin Set, Proof Shipper, SA 20c&50c	2001	10,179	20,358
	2 Coin Set, Proof Shipper, Tas 20c&50c	2001	10,192	20,384
	2 Coin Set, Proof Shipper, Vic 20c&50c	2001	1,047	2,094
	2 Coin Set, Proof Shipper, WA 20c&50c	2001	10,199	20,398
	2 Coin Set, Proof Silver and Gold, Accession	2002	1,500	3,000

ANNEX 11—PROOF AND SPECIAL COIN PRODUCTION 2001-02 *continued...*

Country	Type	Date of Coin	No. of Sets	No. of Pieces
	2 Coin Set, Uncirculated Shipper, ACT 20c&50c	2001	560	1,120
	2 Coin Set, Uncirculated Shipper, NT 20c&50c	2001	8,852	17,704
	2 Coin Set, Uncirculated Shipper, Qld 20c&50c	2001	490	980
	2 Coin Set, Uncirculated Shipper, SA 20c&50c	2001	12,260	24,520
	2 Coin Set, Uncirculated Shipper, Tas 20c&50c	2001	11,582	23,164
	2 Coin Set, Uncirculated Shipper, Vic 20c&50c	2001	941	1,882
	2 Coin Set, Uncirculated Shipper, WA 20c&50c	2001	11,527	23,054
	3 Coin Set, Mixed, Bradman	2001	1,278	3,834
	3 Coin Set, Proof, ACT 20c, 50c, \$1	2001	865	2,595
	3 Coin Set, Proof, NI 20c, 50c, \$1	2001	850	2,550
	3 Coin Set, Proof, NSW 20c, 50c, \$1	2001	961	2,883
	3 Coin Set, Proof, NT 20c, 50c, \$1	2001	2,985	8,955
	3 Coin Set, Proof, Qld 20c, 50c, \$1	2001	916	2,748
	3 Coin Set, Proof, SA 20c, 50c, \$1	2001	3,625	10,875
	3 Coin Set, Proof, Tas 20c, 50c, \$1	2001	2,802	8,406
	3 Coin Set, Proof, Vic 20c, 50c, \$1	2001	1,375	4,125
	3 Coin Set, Proof, WA 20c, 50c, \$1	2001	3,829	11,487
	3 Coin Set, Uncirculated \$1	2001	12,342	37,026
	3 Coin Set, Uncirculated, ACT 20c, 50c, \$1	2001	892	2,676
	3 Coin Set, Uncirculated, NI 20c, 50c, \$1	2001	600	1,800
	3 Coin Set, Uncirculated, NSW 20c, 50c, \$1	2001	904	2,712
	3 Coin Set, Uncirculated, NT 20c, 50c, \$1	2001	3,970	11,910
	3 Coin Set, Uncirculated, Qld 20c, 50c, \$1	2001	1,000	3,000
	3 Coin Set, Uncirculated, SA 20c, 50c, \$1	2001	4,782	14,346
	3 Coin Set, Uncirculated, Tas 20c, 50c, \$1	2001	4,052	12,156
	3 Coin Set, Uncirculated, Vic 20c, 50c, \$1	2001	1,400	4,200
	3 Coin Set, Uncirculated, WA 20c, 50c, \$1	2001	5,702	17,106
	3 Coin Set, \$5 Uncirculated Commonwealth Games	2002	8,645	25,935
	6 Coin Set, Proof	2001	4,618	27,708
	6 Coin Set, Proof Gold	2001	193	1,158
	6 Coin Set, Proof, Baby	2001	3,541	21,246
	6 Coin Set, Proof, Masterpieces	2001	4,450	26,700
	6 Coin Set, Proof	2002	34,313	205,878
	6 Coin Set, Proof, Baby	2002	9,712	58,272
	6 Coin Set, Uncirculated	2001	10,870	65,220
	6 Coin Set, Uncirculated, Baby	2001	9,012	54,072
	6 Coin Set, Uncirculated	2002	60,812	364,872

**ANNEX 11—PROOF AND SPECIAL COIN PRODUCTION 2001-02 *continued...***

Country	Type	Date of Coin	No. of Sets	No. of Pieces
	6 Coin Set, Uncirculated, Baby	2002	22,542	135,252
	6 Coin Set, Uncirculated, Wedding	2002	1,952	11,712
	20 Coin Set, Proof, CoF	2001	3,596	71,920
	20 Coin Set, Uncirculated, CoF	2001	1,044	20,880
Estonia	10 Krooni, Proof Silver	2002	10,003	10,003
Nepal	2000 Rupee, Proof Silver	2002	5,003	5,003
	Asarphi, Proof Gold	2002	5,003	5,003
New Zealand	\$5, Proof Silver	2002	1,500	1,500
	\$5 Uncirculated	2002	1,500	1,500
	7 Coin Set, Proof	2002	1,502	10,514
	7 Coin Set, Uncirculated	2002	3,002	21,014
<b>Total</b>				<b>1,928,202</b>

**ANNEX 12—SYDNEY 2000 OLYMPIC COIN PROGRAM PRODUCTION**

Type	No. of Coins
\$5, Proof Silver, Sea Change	71
\$5, Proof Silver, Great White Shark	29
\$5, Proof Silver, Reaching the World 1	37
\$5, Proof Silver, Emu	30
\$5, Proof Silver, Harbour of Life Water	108
\$5, Proof Silver, Platypus	27
\$5, Proof Silver, Harbour of Life Air	119
\$5, Proof Silver, Kookaburra	113
\$5, Aluminium Bronze, Paralympics	1
<b>Total</b>	<b>535</b>

**ANNEX 13 – MEDALS, MEDALLIONS ETC, 2001-02**

	<b>Customer</b>	<b>Pieces/jobs</b>
Medals	Australian Government	475
	Other	3,612
Medallions	Australian Government	6,165
	Academic Institutions	270
	Australian Corporate	9,407
Lapel Badges	Australian Government	10,463
	Other	155
Tokens	Retailers	29,320
	Other	540,000
Jewellery	Royal Australian Mint	2,279
Engraving	Various	247
<b>Total</b>		<b>602,393</b>

**ANNEX 14 – VISITOR NUMBERS AND SHOP SALES 2001-02**

	<b>1997-98</b>	<b>1998-99</b>	<b>1999-00</b>	<b>2000-01</b>	<b>2001-02</b>
Visitor Numbers	132,405	146,101	173,198	186,597	208,429
Mint Shop Sales	\$1,450,723	\$1,554,538	\$2,233,803	\$2,396,143	\$1,737,333

**ANNEX 15 - ADVERTISING AND MARKET RESEARCH, 2001-02**

	<b>Cost (\$)</b>
<b><i>Advertising Agencies, including graphic and website designers</i></b>	
Art Attack	7,623
City Graphics/Zoo	19,736
Bytes 'N Colours	30,383
Steve Keough Photography	20,707
Virtuso Media	65,019
Ideas & Directions	3,698
Inpack/Pepcolour	419,089
Reel Communications	6,305
Platypus Graphics	142,766
Luminere Photo-Design	1,515
<b><i>Media Advertising Organisations/Publications/Radio Stations</i></b>	
Starcom Worldwide (Aust)	37,935
AAP Information Services	4,443
Horizon Media	9,728
Naval Review	1,056
Krause Publications	4,079
Token Publishing	1,007
<b><i>Market Research</i></b>	
Brochure Distribution Services	1,408
Media Monitors	6,568
<b>Total</b>	<b>783,065</b>

**ANNEX 16 – OTHER CONSULTANCIES & CONTRACTS FOR SERVICES**

<b>Consultant/Contractor</b>	<b>Service Provided</b>	<b>Cost (\$)</b>
Careers Unlimited	Exec support resources	14,948
Adecco Employment Agency	Sales/visitor services support resources	744,347
Key People Employment Agency	Sales/visitor services support resources	30,039
Manpower Employment Agency	Production support resources	671,844
Drake Employment Agency	Electrical/mechanical support resources	142,792
Skilled Engineering Ltd	Technical support resources	33,372
TMP Worldwide Resourcing Ltd	Accounting/finance support resources	44,390
Hayes Personnel Services	Accounting/finance support resources	11,842
DMA Employment Agency	IT support resources	13,649
Peoplebank Australia Pty Ltd	IT support resources	48,707
Geac Computers	IT Systems development services	153,110
Allied Networks TSG	IT network support services	151,584
Access OH & S	Rehabilitation services	4,665
Davidson Trahaire	Employee Assistance Services	5,720
HBA Consulting	Workplace relations technical advice	3,472
Attorney General's	Legal advisory/technical services	42,471
National Safety Council of Australia	Safety auditing	8,805
Ernst & Young	Internal Audit and business review	131,914
Chubb Security	Security	306,640
Frater & Sons	Building Maintenance	9,508
Building Controls Management	Building Maintenance	8,712
OTIS Building Technologies	Building Maintenance	14,301
Yolanta Cleaning Services	Building Maintenance	155,957
4 Seasons Garden Services	Ground Maintenance	17,699
Rob Brennan	Training Consultant	2,744
City Scape Services	Ground Maintenance	17,420
<b>Total</b>		<b>2,790,652</b>

**ANNEX 17 – EMPLOYEE NUMBERS AND LEVELS, 30 JUNE 2002**

Classification	Female	Male	Total	NESB
SES2	0	1	1	0
EXEC L2	1	2	3	1
EXEC L1	1	9	10	4
APS L6	0	12	12	3
APS L5	0	4	4	2
APS L4	5	5	10	2
APS L3	3	19	22	6
APS L2	9	10	19	17
APS L1	9	2	11	10
Apprentices	0	3	3	0
Trainees	0	0	0	0
<b>Total</b>	<b>28</b>	<b>67</b>	<b>95</b>	<b>45</b>

**\* Key to classification levels (APS equivalent):**

SES:	Senior Executive Service	APS:	Australian Public Service
EXEC:	Executive Officer	NESB:	Non English Speaking Background

Classification	Female	Male	Total	NESB
SES	0	1	1	0
SME Band 2	1	2	3	1
SME Band 1	1	9	10	4
ME Band 3	0	16	16	5
ME Band 2	8	24	32	8
ME Band 1	18	12	30	27
Apprentices	0	3	3	0
Trainees	0	0	0	0
<b>Total</b>	<b>28</b>	<b>67</b>	<b>95</b>	<b>45</b>

**Key to Classifications (APS Mint structure)**

SES:	Senior Executive Service	SME:	Senior Mint Employee
ME:	Mint Employee	NESB:	Non English Speaking Background

## ANNEX 18 – OCCUPATIONAL HEALTH AND SAFETY

Major activities under the OH&S management program in 2001-02 were as follows:

- ▶ RAM was awarded for the eighth consecutive year, a 5 Star Health and Safety Management Award by the National Safety Council of Australia.
- ▶ RAM received further recognition of its commitment to OH&S with the awarding of a Silver Star Award for Outstanding OH&S Achievements by the National Safety Council of Australia.
- ▶ ACT WorkCover presented RAM with an award for its OH&S Management Program at the ACT Occupational Health and Safety Council Awards 2002.
- ▶ RAM also received a High Commendation Award from the Safety, Rehabilitation and Compensation Commission for workplace safety leadership at the SRCC Safety Awards 2002.
- ▶ Flu vaccination was made available to all staff and contractors wishing to receive immunisation against the most severe flu epidemic experienced in Australia over the past ten years.
- ▶ OH&S Committee and OH&S Representatives convened at two-monthly intervals throughout the year.
- ▶ Biochemistry (kidney and liver) tests were conducted by Corporate Medical Options for all Mint personnel handling hazardous materials in the normal course of their duties.
- ▶ A work-conditioning program (back care) was introduced to provide awareness; training and exercises developed to reduce the incidence of back injuries.
- ▶ Rehabilitation case management was outsourced to ACT Access Occupational Therapy in accordance with legislative requirements.
- ▶ The Employee Assistance Program was contracted to Davidson Trahaire providing an essential support service to RAM staff and their immediate family members.
- ▶ Confined Space Working within the Mint undertakings were assessed and a new Confined Space Register established.
- ▶ Workplace safety inspections were conducted on a monthly program to ensure compliance with the 2001-2002 Continuous Improvement Action Plan.
- ▶ Training courses for Hazard Identification and Risk Management were conducted throughout the year for employees in high-risk areas.

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