

**ROYAL
AUSTRALIAN
MINT** ANNUAL REPORT
2015-16

Commonwealth of Australia 2016

ISSN: 2206-0375

This work is copyright. Apart from any use as permitted under the Copyright Act 1968, no part may be reproduced by any process without prior written permission from the Commonwealth. Requests and inquiries concerning reproduction and rights should be addressed to the:

Commonwealth Copyright Administration
Attorney General's Department
Robert Garran Offices
National Circuit
Canberra ACT 2600

Or posted at:
<http://www.ag.gov.au/cca>

A copy of this document and other information appears on the Royal Australian Mint website.

The website address is <http://www.ramint.gov.au>

Project Management & Design – Royal Australian Mint
Typesetting – Coordinate
Indexing – Libraries Alive! Pty Ltd
Photographs – Royal Australian Mint

17 October 2016



Australian Government
Royal Australian Mint

The Hon. Michael McCormack MP
Minister for Small Business
House of Representatives
Parliament House
Canberra ACT 2600

Dear Minister

I have the pleasure of presenting to you the Annual Report of the Royal Australian Mint for the year ended 30 June 2016. The report has been prepared in accordance with specific requirements of section 17AD and subsection 17AD(g) of the Public Governance, Performance and Accountability Rule 2014.

Section 46 of the Public Governance, Performance and Accountability Act 2013 requires that the Chief Executive Officer of an agency must prepare and provide a copy of the Report to the responsible Minister for presentation to the Parliament.

As provided in subsection 70(2) of the Public Service Act 1999, the report has been prepared in accordance with guidelines approved on behalf of the Parliament by the Joint Committee of Public Accounts and Audit.

These guidelines provide that a copy of the Annual Report is to be laid before each House of Parliament on or before 31 October.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Ross MacDiarmid', written over a light blue horizontal line.

Ross MacDiarmid
Chief Executive Officer

Contents

| | |
|--|-----------|
| Letter of Transmittal | i |
| 1 Introduction & Overview | 1 |
| Corporate Profile | 2 |
| Strategic Intent | 2 |
| Leadership Values | 3 |
| Service Charter | 3 |
| 2 Chief Executive's Review | 5 |
| Outlook for 2016–17 | 6 |
| Report on Performance | 7 |
| 3 Highlights & Achievements | 13 |
| Coin Programs | 13 |
| Custom and Corporate Minting Programs | 14 |
| Pacific Islands Coinage | 14 |
| Partnerships | 15 |
| Awards & Commendations | 16 |
| Visitor and Education Services | 16 |
| Educational Services | 18 |
| Collectors | 21 |
| Community Engagement | 21 |
| Marketing | 21 |
| Special Projects | 23 |

| | |
|--|------------|
| 4 Management & Accountability | 25 |
| Corporate Governance | 25 |
| Fraud Prevention and Control | 25 |
| Internal and External Scrutiny | 27 |
| Procurement | 28 |
| Grant Programs | 28 |
| Consultancies | 28 |
| Management of Human Resources | 30 |
| Health, Safety, Wellness and Environment | 34 |
| Environmental Performance | 37 |
| 5 Annual Performance Statements | 45 |
| Annual Performance Statements 2015–16 | 45 |
| 6 Financial Statements | 49 |
| 7 Appendices | 95 |
| Appendix A: Circulating coin purchases from the Mint by external parties 2015–16 | 95 |
| Appendix B: Circulating coin production 2015–16 | 96 |
| Appendix C: Other production 2015–16 | 98 |
| Appendix D: Collector coin production 2015–16 | 99 |
| 8 Indices | 109 |
| Glossary | 109 |
| Abbreviations and Acronyms | 112 |
| List of Requirements | 113 |
| Index | 120 |

Australia's
new decimal
coins were
introduced
in 1966.

Introduction & OVERVIEW

1

Introduction & Overview

The Royal Australian Mint (the Mint) is Australia's national mint and sole producer of circulating coins for Australia. It is a listed entity within the Treasury portfolio and operates under the *Public Governance, Performance and Accountability Act 2013*.

The Mint also manufactures circulating and numismatic coins for other countries. On an ongoing basis, the Mint produces a vast array of collector coins, investor products, medals, medallions and tokens for domestic and international clients. As the custodian of Australia's National Coin Collection, the Mint is responsible for collecting and preserving a representative record of Australian coinage for future generations.

The Mint was officially opened in Canberra in 1965. Its first tasks were to produce Australia's own distinctive coinage and facilitate a smooth changeover from British imperial pounds, shillings and pence to decimal dollars and cents. Both tasks were successfully accomplished and Australia's new decimal coins were introduced in 1966.

On 13 February 2016, the Mint led nationwide celebrations of the *50th anniversary of decimal currency*, marking half a century since the introduction of dollars and cents on 14 February 1966. This followed on from the celebrations in 2015 for the *50th anniversary of the Royal Australian Mint*. Both milestones were marked by Open Days and behind-the-scenes factory tours at the

Mint facility in Canberra, together with special events held around the country. Public support in all states and territories was positive and overwhelming, especially from those able to remember the days when their currency changed.

As well as being a manufacturing operation, the Mint is a major Canberra tourist attraction and educational destination for school groups from all over the country. Citing the special place of the Mint in the nation's history and its significant heritage value, the Government placed the Mint building and approximately 3.5 hectares of land on the Commonwealth Heritage List on 22 February 2016.

In 2015–16, the Mint continued its strong export performance. For the first time in its history, international sales exceeded domestic sales and accounted for 57 per cent of the Mint's revenue for the year. Reflecting the high regard in which the Mint is held in the numismatic industry, the CEO of the Mint was elected Secretary-General of the International Mint Directors Conference (MDC) in May 2016, and the Mint's Business Development Director, who had been Chair of the Mint Directors Technical Committee for 14 years, was made MDC Lifetime Honorary President.

CORPORATE PROFILE

Vision

Excellence as a profitable world class Mint.

Mission

To meet the circulating coin and collector coin needs of Australia and selected international markets.

STRATEGIC INTENT

As a world class mint with advanced technological and manufacturing capabilities, the organisation is acknowledged within the industry as one of the top mints in the world, and a winner of multiple international awards for product quality.

In addition to producing coins for Australia, the Mint supplied circulating and numismatic coins to Samoa, the Solomon Islands, Tonga, Vanuatu, the Cook Islands, Papua New Guinea and Fiji in 2015–16. It also custom minted coins, medals, medallions and tokens for a large number of international and domestic clients under commercial arrangements. 'Service' is another emerging business area in the Mint's repertoire. In 2015–16, the Mint provided technical advice and assistance to a number of central banks and mints on their coinage and business continuity projects and arrangements.

The Mint is responsible for advising the Australian Government on Australia's coinage system and all coinage-related issues. One such issue is the long-term demand for circulating coin. Notwithstanding the periodic surges in demand, the Mint recognises that the long-term trend in Australia is towards the diminishing use of circulating coins due to the popularity of other methods of payment. Hence, in 2015–16 the Mint continued to explore international opportunities for both circulating and numismatic coins and also progress LEAN projects within the Mint to address cost and efficiency issues.

Over the next year, the Mint's key strategies include:

- pursuing profitable revenue opportunities by leveraging the Mint brand, creating capability and utilising spare capacity
- creating partnerships with suppliers on a supply chain basis and ensuring customer expectations are met by delivering quality products that meet their requirements in-full and on-time
- continuing to recognise and demonstrate the importance of staff
- maintaining workplace health and safety, and environmental conditions
- continuing to build on the positive brand recognition of the Mint.

LEADERSHIP VALUES

We will:

Empower our staff

Deliver on commitments

Recognise performance

Create solutions

We will be:

Open and honest

Trusting and trusted

People with integrity

Accountable for our actions

Respectful

Active listeners

Non-judgmental

Aware and accommodating of others' roles and responsibilities

Disciplined

Evidence based decision makers

Encouraging and developing

SERVICE CHARTER

The Mint's Customer Service Charter is an expression of the standards the Mint seeks to maintain in its interactions with customers and members of the public and can be found at www.ramint.gov.au/customer-service-charter

It is a testament to the Mint's growing agility and flexibility.

Chief Executive's REVIEW

2

Chief Executive's Review

In the last financial year, the Mint experienced an unexpected surge in demand for circulating coins in Australia with revenue exceeding budget by 24 per cent. It is testament to the Mint's growing agility and flexibility as we continue to implement the LEAN approach to manufacturing, that we were able to simultaneously meet increased domestic coin demand, release coloured circulating coins and supply circulating coins to our Pacific Island nation partners.

The demand for circulating coins resulted in seigniorage of \$88.5 million. There was record revenue from the commercial business of \$57.5 million, up on 2014–15 by 35 per cent as well as record visitation of 300 000 visitors, up by 9 per cent. Both contributed to the Mint achieving an Earnings Before Interest and Tax (EBIT) on its commercial business of \$3.5 million in 2015–16, an increase of \$2.6 million over 2014–15 EBIT.

The combination of the above contributed to the Mint achieving a Return on Net Assets of 71 per cent.

The higher than expected demand for circulating coins in 2015–16 reflects a combination of some disruption in the supply chain which may have a counterbalancing effect in 2016–17, and what the banks described as greater consumer demand in tighter economic conditions.

The commercial business comprising domestic and international numismatic and circulating coins, custom or contract minting and 'other services' has experienced significant growth primarily due to four major programs:

- a continuation of the *Anzac Centenary Coin Program* and in particular working closely with News Corp Australia

- the *Australian Olympic and Paralympic Team Coin Programs* in which the Mint partnered with joint Australian Olympic and Paralympic Team Partner Woolworths Ltd to distribute approximately 12 million commemorative coins
- a celebration of the *50th anniversary of decimal currency* during which a range of special circulating and numismatic coins were released
- the supply of investor coin products to a major international customer.

Other highlights for the year include surpassing our previous records in packing, colour circulating coin production and die polishing.

International highlights include winning the circulating coin tender to supply coins to Timor-Leste coins, and also winning the *Best New Circulating Coin or Series* award at the International Association of Currency Affairs' *Excellence in Currency Awards* in Madrid. This prestigious award was won for Papua New Guinea's coloured 50 toea circulating coin. The award reinforced the Mint's reputation as one of the most innovative mints in the world and producer of high quality coin products.

In summary, the Mint had an outstanding 2015–16, due in no small part to the amazing commitment, determination and engagement of its staff. This was never better exemplified than when staff hosted over 9000 visitors to the Mint in February 2016 for an open day held to celebrate Australia's *50th anniversary of decimal currency*.

The Mint's current four year strategic plan ended in 2015–16, with much of what was planned four years ago either implemented or well underway. The Mint successfully met its highest priority goal to have the capability and readiness to be a highly effective and efficient supplier. Sustained investments in skills, equipment and technology over the past four year period have enabled the Mint to remain competitive in an increasingly crowded international market.

The strategic plan also recognised a number of risks including retention of all accreditation and certifications, as well as the need to manage possible internal or external fraud such as from cyber-attacks. I am pleased to report that all certifications have been retained.

The Mint Leadership Program has again been a great success with an additional 20 people trained as well as five staff now engaged in undergraduate or post graduate studies. The broader leadership team have helped to encourage and motivate staff in a year that stretched resources due to significant increased demands on the Mint's capacity and capability.

While the Mint has retained its AS 4801 accreditation for its Health, Safety and Environment (HSE) system, this is unfortunately not reflected in the statistics with this being the first year in the last six in which we have a number of staff being managed under early intervention for a number of different ailments and issues. There were however no major incidents or accidents.

The past financial year was an extraordinary year in which many outcomes were achieved. On behalf of the Senior Management Team and the Advisory Board, many thanks again to an amazing team; we really appreciate your hard work and dedication.

To the Advisory Board, Audit Committee and Treasury support team as well as the Senior Management Team, thank you for your constant energy, resilience and willingness to share ideas as well as valuable insight and advice.

OUTLOOK FOR 2016–17

The next financial year will be the first of the new four year Strategic Plan for 2016–17 to 2019–20.

This period will be no less challenging as the disruptions seen in the marketplace over the past years can be expected to continue and even intensify. Despite the increased demand for circulating coins in 2015–16, the long term forecast for Australia is a decline in coin usage. The environment over the next four years is expected to be especially challenging given the simultaneous trends of uncertain global political and economic conditions, declining demand in the circulating coin market and an increasingly competitive numismatic market.

The budget conditions for 2016–17 are a reflection of what has been described above. It is a year in which we are forecasting a decline in circulating coin revenue by 12 per cent from the previous year with some risk that this may be optimistic given what was an unexpected above budgeted performance in 2015–16. A revised model will be developed as the basis for bank contract negotiations to be concluded by March 2017.

With a continuation of the Australian Olympic and Paralympic Team Coin Programs and the release of the *Holden Heritage Collection* in the first quarter of 2016–17, as well as extensions to the *Anzac Centenary Coin Program* and investor coin product program throughout the year, the Mint's commercial revenue in 2016–17 is expected to be up on 2015–16 by 7 per cent.

This increase in high margin revenue should ensure the EBIT is above 2015–16 and the Return on Net Assets exceeds the Strategic Plan target of 62 per cent.

The year will be additionally challenging as we implement a new, simpler Material Requirements Planning (MRP) solution which will become the enabler to deliver both cost savings and information on which the Mint can confidently rely.

The Mint will further enhance the implementation of the LEAN approach to continuous improvement by formalising LEAN as the vehicle for improving overall operational performance. Without compromising the

reporting and regulatory structure under which the Mint operates, we have adopted the philosophy of trying to simplify everything we do under the Mint mantra, *Complete, Simplify and Satisfy*.

The Mint is very fortunate to have staff who are so willing to be part of an ongoing change management process. Their commitment and dedication has been instrumental in the Mint's achievements in 2015–16. Their continued engagement and involvement will be essential over the next four years as we implement a strategy to maintain our value to our shareholder.

REPORT ON PERFORMANCE

FIGURE 1 Outcome and Program Structure



Table 1 shows the total resourcing for the Mint's outcome.

Outcome 1 – The coinage needs of the Australian economy, collectors and foreign countries are met through the manufacture and sale of circulating coins, collector coins and other minted like products.

Table 1: Resourcing for the Mint's Outcome

| | Budget 2015–16* \$'000 (a) | Actual Expenses 2015–16 \$'000 (b) | Variation \$'000 (a-b) |
|--|-------------------------------------|---|------------------------------|
| Program 1.1 – Royal Australian Mint | | | |
| Administered | | | |
| Special Accounts | 48 742 | 52 308 | (3 566) |
| Departmental | | | |
| Special Accounts | 92 204 | 102 066 | (9 862) |
| Total for Outcome 1 | 140 946 | 154 374 | (13 428) |
| Average staffing level (number) | 219 | 209 | 10 |

*Full-year budget, including any subsequent adjustment made to the 2015–16 Budget.

Key Priorities in 2015–16

The Mint's 2015–16 Portfolio Budget Statements and internal planning processes identified the following key priorities for Outcome 1:

- produce cost efficient circulating coins for Australia
- produce appropriate circulating coins for foreign jurisdictions under commercial arrangements
- maintain an appropriate level of Australian circulating coin
- provide advice to the Treasury and Government on coin related issues
- develop and produce high quality profitable numismatic products.

As the sole producer of Australian circulating coin and custodian of the National Coin Collection, the following activities are in addition to the key strategies outlined above:

- delivering an education program through the Mint's visitors centre
- promoting public understanding of the cultural and historical significance of coins
- maintaining Australia's National Coin Collection.

Key Outcomes in 2015–16

Outcome 1 – The coinage needs of the Australian economy, collectors and foreign countries are met through the manufacture and sale of circulating coins, collector coins and other minted like products.

Table 2: Royal Australian Mint Resource Statement 2015–16

| | Actual Available Appropriations for 2015–16 (a) | Payments made 2015–16 \$'000 (b) | Balance Remaining (a-b) |
|--|--|---|-------------------------------|
| Departmental | | | |
| Special Accounts | | | |
| Opening balance | 24 402 | – | – |
| Non-appropriation receipts to Special Accounts | 223 137 | – | – |
| Payment made | – | 197 158 | – |
| Closing balance | – | – | 50 381 |
| Total | 247 539 | 197 158 | 50 381 |

* Special Accounts – Financial Statements Note 3.2

Program 1.1: Royal Australian Mint

Program 1.1 is the Mint's sole program and the sole contributor to Outcome 1. Crucial to the provision of Outcome 1 is the requirement for the Mint to operate efficiently. The Mint is primarily a self-funded business operation, receiving government funding predominantly for capital projects only. In addition, the Mint is required to provide a return on investment to the Australian Government through remittance of seigniorage (that is, the difference between the sale of circulating coin and the cost of production) to the Official Public Account.

Performance Information

The Mint's key performance indicators for 2015–16 are:

- produce and deliver Australian circulating coins in a cost effective and timely manner
- foreign circulating coin sales meet or exceed cost of production

- all numismatic sales meet or exceed cost of production
- at least 95 per cent of numismatic orders placed are produced and delivered within contracted delivery time
- rotate the display of Australia's National Coin Collection on a regular basis
- maintenance of gallery and visitor centre to community standard
- ensure that school student visitor programmes align with relevant school curriculums
- increase in visitor numbers to the gallery and visitor centre compared to prior year's actual visitor numbers.

Analysis of Performance

Production plans and inventory holdings are calculated to ensure supply and accommodate variances in circulating coin demand. The financial year 2015-16 saw an unexpected increase in the demand for circulating coin from the commercial banks compared to the prior year, which has led to a higher than budgeted return of seigniorage to the Commonwealth.

The Mint's commercial activities are made up of two components: numismatic and international business. The numismatic business continued to grow in 2015-16 with the continuation of the Anzac Centenary commemorations and added to by the Rio 2016 Olympic and Paralympic program. The international business continued the strong growth of the previous years with new foreign circulating coin and collector product markets adding to the current customer base. The overall commercial result was a profit of \$3.5 million before tax.

The Mint upheld the standards outlined within its Service Charter and provided a high level of customer service across all contact channels.

The Mint provided a high standard of professional advice to Treasury Portfolio Ministers and appropriately engaged with other agencies on coining and minting-related matters. All ministerial responsibilities have been met with the Mint providing operational information through ministerial correspondence.

The Gallery visitor numbers remained steady with the education program seeing continued significant growth to near capacity levels. This program has increased school students and tourist visits to the Mint.

Royal Australian Mint Organisational Chart

Management of the Mint rests with the members of the Senior Management Team, who are each responsible for a branch (see Figure 2 and 3):

FIGURE 2
Royal Australian Mint Organisational Chart as at 30 June 2016

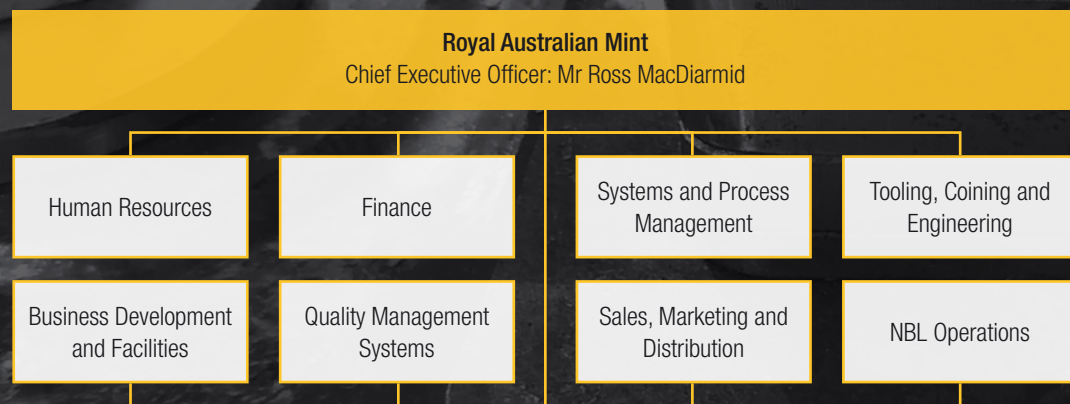
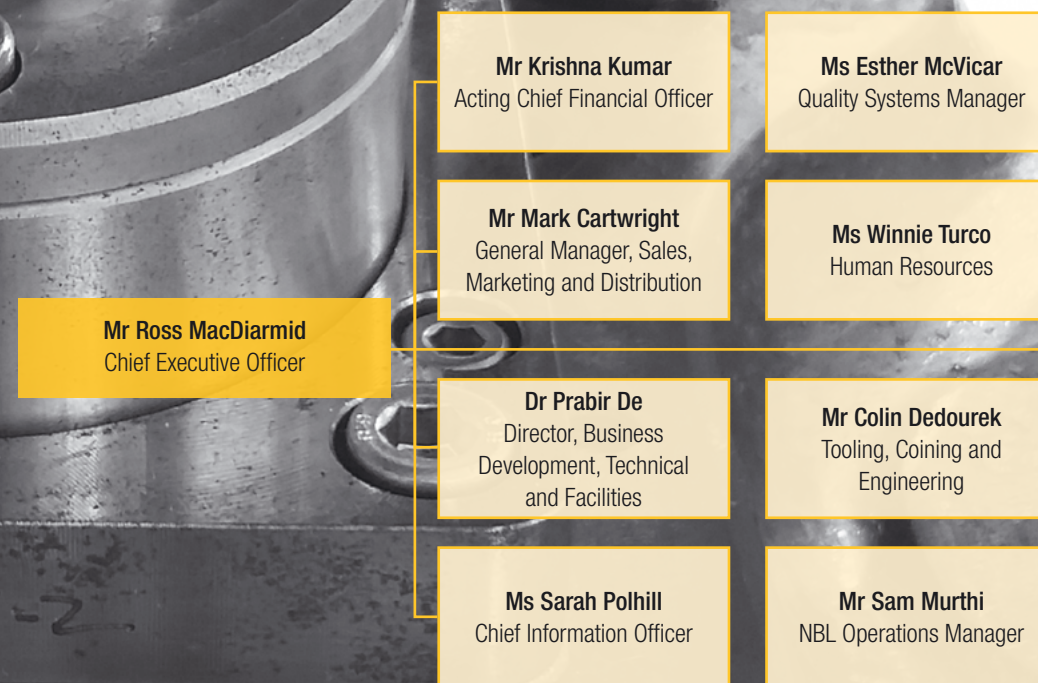


FIGURE 3
Senior Management Team as at 30 June 2016



3

The Mint produced 135 different types of Australian legal tender collectible coins.

HIGHLIGHTS & ACHIEVEMENTS

Highlights & Achievements

COIN PROGRAMS

Circulating Coins

The Circulating Coin Hall had a busy production schedule in 2015–16. In addition to domestic and international circulating coins, the Mint produced a number of commemorative circulating coins throughout the year to mark significant events.

In a new initiative, the Mint's packing system was utilised to package coloured circulating coins to sell at face value to customers through the online store and mail order system. The following themes were commemorated with issue of a circulating coin:

- Remembrance Day 2015 – \$2 coloured coin to mark the 2015 Remembrance Day. The reverse design featured text inscription from the poem *In Flanders Fields* by John McCrae.
- 100 Years of Anzac 2016 – \$1 coin to mark the 2014–18 centenary of Anzac. The reverse design utilised the Anzac Centenary logo developed by the Department of Veterans' Affairs and will continue to be reproduced until the end of 2018.
- 50th anniversary of decimal currency – A special design was featured on all denominations to mark fifty years of decimal currency. The reverse designs were those of the existing decimal coins. The obverse featured both the effigy of Her Majesty Queen Elizabeth II by Ian Rank-Bradley and a representation of pre-decimal coin designs.

Collectible Coins

The Mint produced 135 different types of Australian legal tender collectible coins in 2015–16 to mark significant

Australian historical, military, sporting and other key events and milestones. Coin highlights include:

50th anniversary of decimal currency

Special commemorative designs were produced on the obverse of six circulating coins, with coins of each denomination sold in individual sachets. Free coin folders were distributed to encourage the collection of all six coins. The Mint also issued proof and uncirculated year sets featuring the same designs. Australia's previous round 50c coin design returned in base metal with gold plating for the 50th anniversary celebrations.

Longest Reigning Commonwealth Monarch – Queen Elizabeth II

In 2015, Her Majesty Queen Elizabeth II surpassed Queen Victoria as the longest reigning Commonwealth monarch. The Mint produced gold, silver and base metal coins featuring a decorative design comprising items of significance to Her Majesty's coronation together with an Australian golden wattle.

Convict Love Tokens

Three original convict love tokens made by convicts for their loved ones before being transported to Australia were reproduced. Each coin was manufactured in antique copper and accompanied by the story behind the original token.

Northern Sky – Cassiopeia

Following the success of the *Southern Sky* domed coin series, the Mint released the first of three *Northern Sky* coins featuring constellations seen from the Northern hemisphere. The first coin featured the constellation Cassiopeia.

50th anniversary of Play School

Three 50c coins were produced featuring some of the famous toys from Australia's longest running children's television program, Play School. The coins were packaged in folders designed to appear as story books.

CUSTOM AND CORPORATE MINTING PROGRAMS

Demand for custom minting products increased significantly in 2015–16 both for individual coins and coin sets. Significant programs and collaborations are detailed here:

2016 Australian Olympic and Paralympic Team Coin Programs

In the lead-up to the Rio 2016 Olympic and Paralympic Games, the Mint became an official Team Partner of the 2016 Australian Olympic and Paralympic Teams. As official producer of commemorative coins for both events, the Mint developed an extensive coin program that included a collaboration with Woolworths and the Australian Olympic and Paralympic Committees which will be rolled out prior to the start of the Rio 2016 Olympic Games.

EMK

The Mint and German client, EMK, commenced a prestigious 5 ounce gold *Australian Fabulous Four* series in 2014 to be exclusively sold by EMK. The series features four of Australia's internationally loved native animals, with each animal taking centre stage on the coin each year. This year, the star was the Koala following the Kangaroo's sell-out debut in 2015.

News Corp Australia

Following the success of its Anzac coin series, News Corp Australia commissioned the Mint to produce another 14-coin collection in 2015–16. Featuring significant moments in Australia's military history, a new design was available for purchase each day for 14 days on presentation of a coupon from participating newsagents.

New Zealand Post

Continuing its strong relationship with New Zealand Post, the Mint produced a number of coin programs in 2015–16 for New Zealand Post to sell into their market, including a series of 2016 World War I coins and a 2016 Centenary of Returned Services Association coin.

PAMP SA

The Mint collaborated with PAMP SA to release two investor products into the international market in 2015–16.

The first coin was a release marking the Year of the Monkey on the Lunar calendar and the second a kangaroo-themed coin. Both were very well received and the Mint plans to collaborate with PAMP SA on further investor product releases in the coming years.

Solar Applied Materials Technology Corp

The Mint continued its collaboration with Taiwanese client Solar Applied Materials Technology Corporation to release a series of coins on Solomon Islands legal tender celebrating the Year of the Monkey.

PACIFIC ISLANDS COINAGE

Circulating Coins

The Mint continued to produce and supply circulating coins to meet the needs of Pacific Island nations. Production during 2015–16 included coins for Papua New Guinea, the Kingdom of Tonga, the Cook Islands and the Republic of Vanuatu.

Collectible Coins

The Mint worked closely with a number of Pacific Islands Central Banks on products for significant events as listed in Table 3:

Table 3: Commemorative products produced for Pacific Islands events

| Event | Product |
|--|---|
| 2015 Commonwealth Youth Games in Samoa | Commemorative coins and winners' medals |
| 2015 XV Pacific Games in Port Moresby | Commemorative coins including the award-winning 50 toea coloured circulating coin |
| 2015 50th anniversary of Self-Government in the Cook Islands | Commemorative coins |
| 2015 Golden Jubilee of the University of PNG | Commemorative coins |

PARTNERSHIPS

The number of collaborative partnerships forged with other mints, corporations and agencies also increased in 2015–16 and are listed here:

Netball World Cup Sydney 2015

To mark Australia hosting the Netball World Cup 2015, the Mint partnered with Netball World Cup Sydney 2015 to release a \$5 fine silver proof domed coin and a 20c uncirculated coin.

Australian Broadcasting Corporation (ABC)

To celebrate the 50th anniversary of Play School and the impact the program had on children's education, the Mint worked with the ABC to release a special commemorative product featuring some of the well-known Play School toys.

Australian Football League (AFL) and National Rugby League (NRL)

The Mint partnered with the AFL and NRL governing bodies in 2015 to develop a coin program for the premiership season of each sport. The program included individual AFL and NRL sets entitled *The Ultimate Collection* comprising licensed trading cards, themed postcard and stamp and a surprise collectible coin.

Australian Maritime Safety Authority

The Mint worked with the Australian Maritime Safety Authority to create a silver proof coin and an aluminium bronze uncirculated coin to mark 100 years since the Commonwealth of Australia officially accepted responsibility for all landfall and coastal lights around Australia.

Gilgandra Shire Council

The Mint worked with Gilgandra Shire Council to commemorate the centenary of the Cooee March, the first of many marches in 1915 to recruit young men for the Australian Imperial Forces.

City of Sydney and Sydney Opera House

The Mint's partnership with the City of Sydney entered its third year with the 2016 Sydney New Year's Eve (SNYE) fireworks coin. Collaboration with the Sydney Opera House Trust this year resulted in the inclusion of a stylistic representation of the Sydney Opera House in the design of the 2016 SNYE coin.

Australia Zoo

The Mint's partnership with Australia Zoo continued into its fourth year, featuring stylistic representations of the famous resident saltwater crocodiles. Two coins were released in 2015–16, a frosted uncirculated \$1 coin and a high relief fine silver proof coin featuring Monty the saltwater crocodile.

Berlin Bear GmbH

The Mint partnered with Germany company, Buddy Bear GmbH, to release a special coin at the 2016 World Money Fair in Berlin. Australia's famous Mob of Boxing Kangaroos \$1 circulating coin design was released bearing a privy mark in the shape of Berlin's famous Buddy Bear, a worldwide symbol of peace and harmony recognised by the United Nations.

Royal Mint (UK) and Royal Canadian Mint

The Mint partnered with the Royal Mint in the UK and the Royal Canadian Mint to release special three-coin gold and silver sets to mark the historic milestone of Her Majesty Queen Elizabeth II becoming the Longest Reigning Commonwealth Monarch on 9 September 2015.

Woolworths Limited

The Mint developed a partnership with Woolworths Limited to distribute its 2016 Australian Olympic and Paralympic Team coin products through Woolworths stores nationally. The program is due to roll out in mid-July 2016 prior to the Rio 2016 Olympic Games.

AWARDS & COMMENDATIONS

The Mint won three awards in 2015–16 (see Table 4).

Table 4: List of awards won by the Royal Australian Mint 2015–16

| Awards & Commendations | Category | Type |
|------------------------|---|---|
| Winner | Best New Circulating Coin or Series for Papua New Guinea's 50 toea XV Pacific Games coloured circulating coin | Excellence in Currency Awards for Coins, Madrid, October 2015 |
| Winner | Exporting Government Solutions | ACT Chief Minister's Export Awards 2015 |
| Highly Commended | Tourist Attractions | Canberra Region Tourism Awards 2015 |

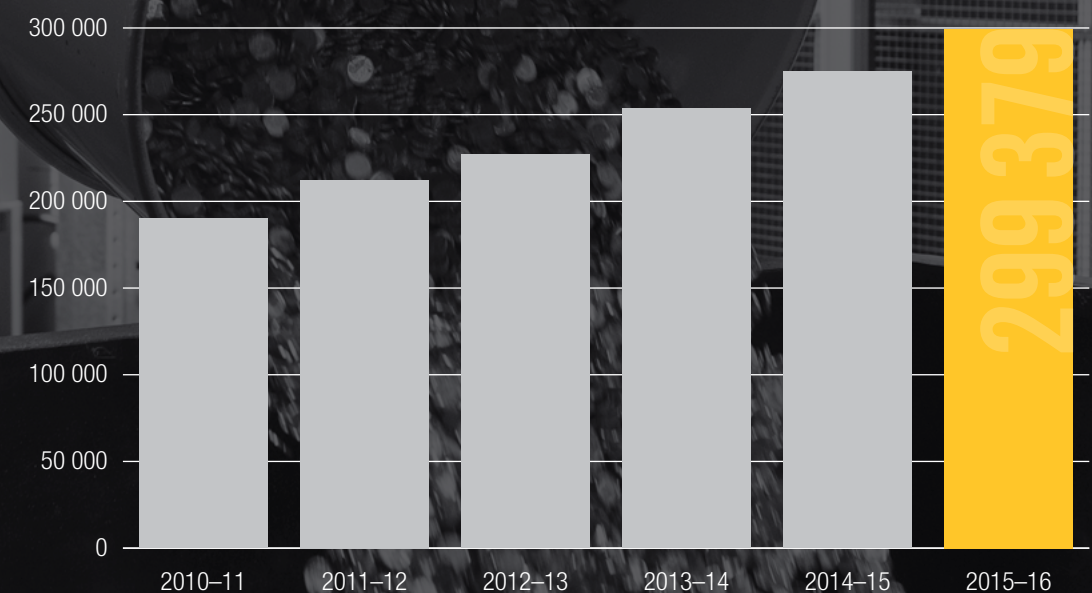
VISITOR AND EDUCATION SERVICES

Visitor Services

In 2015–16, the Mint sought to further increase public understanding of the cultural and historical significance of Australia's coins. Educational resources were developed on Australia's coinage history and the significance of the coins in the National Coin Collection. These resources were provided to schools and special interest groups.

In 2015–16, the Mint welcomed 299 379 visitors, an increase of 8.9 per cent on 2014–15. Figure 4 shows the visitor numbers in 2015–16 in comparison with 2014–15 and the past five years.

FIGURE 4 Number of visitors to Royal Australian Mint over the past six years



Public Tours

There were 814 public tours conducted for an estimated 22 000 visitors in 2015–16.

Special Group Tours

A total of 48 tours were conducted for 1375 participants from special interest groups such as seniors, scouts, school holiday program participants and coin collectors.

Public Programs

Valour, Courage, Bravery

From 29 August 2015 to 26 April 2016, the Mint held the *Valour, Courage, Bravery* exhibition to mark the 40th anniversary of the Australian Honours System. Exhibits included medals on loan from award recipients and personal accounts of the circumstances for which the medals were awarded.

The World of Coin Design

From May 2016, a mock coin-design studio was constructed, giving visitors an insight into the materials and creative processes used by designers.

The Changeover at Parliament House

To mark the 50th anniversary of decimal currency, the Mint in collaboration with the Department of Parliamentary Services (DPS) held *The Changeover* exhibition at Australian Parliament House from February to May 2016. The exhibition featured coinage memorabilia and accounts offering insight into how the currency changeover on 14 February 1966 was received by ordinary Australians.

Enlighten – Making the Change

The Mint and DPS collaboration continued with the Mint setting up a mobile press in Parliament House over four nights during the Canberra-wide *Enlighten* festival in March 2016. An estimated 600 people counterstamped a commemorative \$1 coin housed in special *Enlighten*-themed packaging, the first time in the history of the Mint that the obverse side of a coin had been counterstamped.

Partnerships

Kids Media

The Mint had worked with Kids Media since 2013 to develop curriculum-linked coinage resource materials. The material was very well received when it went online in 2015–16. A total of 367 264 views were recorded and 130 238 files were downloaded from the site over the period of 1 January 2016 to 30 June 2016.

Quizling

In October 2015, the Mint partnered with Quizling, an educational application which allows users to play, share and create quizzes. Topics highlighting coin themes and coin pieces were created. Over the period of February to June 2016, the number of quizzes played on the Mint's Quizling channel grew from 105 to 1414.

EDUCATIONAL SERVICES

School Tours

In 2015–16, the Mint delivered guided tours to 52 189 school students, an increase of 5.6 per cent over the previous financial year (49 430 students) as shown in Figure 5. Students were accompanied by 5140 parents and teachers, resulting in school visits contributing 57 329 to the total number of Mint visitors in 2015–16.

The students came from every Australian state and territory, as shown in Figure 6.

FIGURE 5
Number of students participating in tours at the Royal Australian Mint

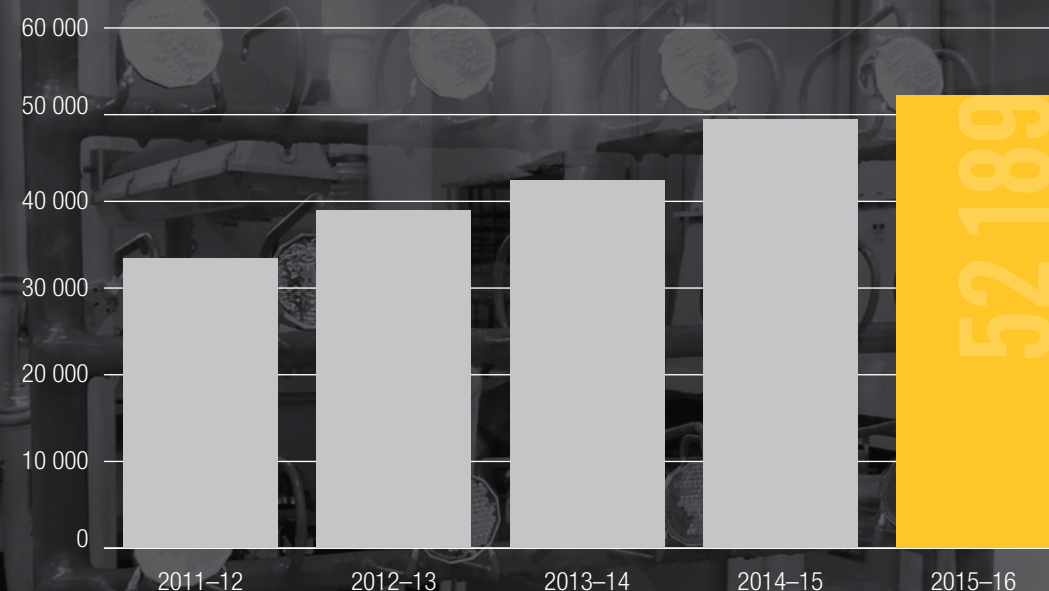


FIGURE 6
Breakdown of student visits
by State and Territory



COLLECTORS

Legends Loyalty Program

The Legends Loyalty Program enables the Mint to communicate with regular Mint customers and also reward their purchases. Legends members receive \$50 and \$250 vouchers to spend at the Mint when they achieve specific spending milestones, participate in exclusive 'members only' competitions and are invited to special Mint events.

In 2015-16, the Mint welcomed 10 371 new Legends members bringing the total Legends membership to 26 415.

COMMUNITY ENGAGEMENT

World Money Fair 2016

The first major coin show on the international mint industry calendar each year is the Berlin World Money Fair (WMF) in February. This is a significant industry event drawing minting industry representatives, coin dealers and traders from all over the world. The Mint attended the 2016 WMF with a booth that enabled the Mint to showcase its products to some 15 000 attendees. Discussions were also held with industry participants that resulted in both new coin projects and purchases.

50th anniversary of decimal currency

The 50th anniversary of decimal currency on 14 February 2016 was the focus event for significant community engagement. The Mint released special year sets and coin products, as well as coordinating the production of *Inside the Vault*, a full history of Australian currency by literary award-winning author Peter Rees.

The Mint also held an Open Day attended by over 9000 people of whom over 5000 people participated in factory walkthroughs. The Coin Design Masterclass and dealer exhibits received a lot of interest.

Prior to the 50th anniversary celebrations, Mint staff embarked on *The Changeover Tour*, the Mint's first-ever road show to regional towns and cities. *The Changeover Tour* reached all states and territories of Australia. At each stop, a pop-up shop and mobile press invited

the public to 'Shop, Swap and Stamp.' This tagline represented the ability to shop for new products, swap for the newest commemorative circulating coins and stamp the exclusive coin. Each stop averaged around 300 customers, making *The Changeover Tour* an unqualified community engagement success in bringing the Mint to the people.

Australian Olympic and Paralympic Teams Coin Program Ambassadors

To support its Australian Olympic and Paralympic Team Coin Programs, the Mint engaged four Australian athletes to share their personal journeys with collectors. The four athletes were sprinter Melissa Breen, basketball player Patrick Mills, swimmer Thomas Fraser-Holmes and paratriathlete Kate Doughty. This ambassadorship program enabled the Mint to create occasions for product promotion and members of the public to engage with the athletes ahead of their quest at Rio.

AFL and NRL Grand Final Pop-ups

The Mint journeyed to the AFL and NRL grand finals. A mobile press at each site gave spectators the opportunity to have the ultimate 2015 Finals Day souvenir.

Play School birthday celebrations with Simon Burke

To celebrate Play School's 50th birthday and launch the Play School coin set, the public were invited to visit the Mint to take part in a sing-a-long with past Play School presenter Simon Burke. The event was very well-attended with many purchasing the coin set to be autographed.

MARKETING

Introduction of an electronic newsletter system

During the year, the Mint introduced an electronic newsletter for customers. This improved the timeliness and flow of communication about products and upcoming events, enabling the Mint to receive immediate feedback.



The Changeover Tour was a community engagement success in bringing the Mint to the people.

Social Media

The Mint's social media channels continued to grow as promotional and customer service delivery tools. Facebook numbers doubled in 2015–16 and Instagram numbers increased by 1000. Twitter participation also increased.

SPECIAL PROJECTS

Australian Olympic and Paralympic Team Coins

Over twelve million 2016 \$2 Australian Olympic and Paralympic Team Coin Programs coins were produced during the year for release in July and August 2016. The Olympic coins varied in design and colour while the Paralympics coin was multi-coloured, a first for the Mint.

Royal Australian Mint Fine Jewellery Collection

The Fine Jewellery Collection introduced in 2014–15 continued to be trialled as a new product range. Jewellery items were sold onsite in the Mint's retail shop as well as online through the Mint eShop and custom site.

Inside the Vault: The history and art of Australian coinage

Inside the Vault: The history and art of Australian coinage by literary award-winning author Peter Rees was launched by Governor General Sir Peter Cosgrove AK MC (retd) on 11 February 2016. A joint collaboration by the Mint, Peter Rees and NewSouth Publishing, *Inside the Vault* delves into the rich history of Australian coin history over 200 years with never-before-seen sketches and photographs from the National Coin Collection.

LEAN Program

LEAN manufacturing principles continued to be applied throughout the Mint to maximise production efficiencies. In the past two years, six LEAN projects were introduced of which two are current and four have moved into continuous improvement phase. The success of four projects is a pleasing achievement given the high failure rate of most LEAN projects first attempted in the manufacturing sector.

During the year, the Mint continued to encourage staff to generate improvements from the bottom up. LEAN working groups are formed when product or process improvements identified by staff require more development and, if necessary, resources are made available for the additional work to be undertaken.

4

A key highlight was the 50th anniversary of decimal currency.

MANAGEMENT & ACCOUNTABILITY

Management & Accountability

CORPORATE GOVERNANCE

The Mint has the following corporate governance structure and arrangements in place:

- Independent Advisory Board provides strategic advice and guidance on corporate governance strategies and practices to the Mint's Senior Management Team.
- Independent Audit Committee reviews and endorses the Mint's Risk and Fraud Control Plans.
- Senior Management Team meets monthly to discuss policy and corporate governance issues and review Mint-wide activities.
- Committees comprising Mint staff monitor systems and activities to ensure alignment with corporate commitments.
- Courses are held for Mint staff and contractors throughout the year to increase understanding and awareness of various requirements.
- Mint staff members also participate in a range of Australian Public Service Commission seminars and courses on governance related matters.

FRAUD PREVENTION AND CONTROL

The Mint supports, promotes and complies with the requirements of Section 10 of the *Public Governance, Performance and Accountability Rule 2014* which are set out in the Mint's Fraud Control Plan. Core business functions are regularly assessed for fraud risks and amendments made to the Fraud Control Plan as necessary. The Mint was subject to an externally generated cyber incident against it in 2015-16. It was immediately reported to the AFP and all necessary action taken to minimise recurrence.

On a regular basis, staff members are reminded of their obligations as Australian Public Service (APS) employees to maintain the highest standards of ethical behaviour in accordance with APS Values, APS Code of Conduct and Mint Values. They are also encouraged to report any suspected instances of fraud without fear of prejudice or recrimination.

All new staff members and contractors are made aware of fraud control requirements first through the induction process and on an ongoing basis by training, posters and bulletins.

The Fraud Control Officer reports regularly to the Audit Committee on all matters relating to fraud control, including:

- a fraud risk assessment and fraud control plan have been prepared for the Mint
- appropriate mechanisms meeting the specific needs of the Mint are in place for fraud prevention, detection and investigation and for dealing with, recording and reporting fraud incidents
- all reasonable measures have been taken to deal appropriately with fraud relating to the Mint.

Risk Management

The Mint's *Risk Management Framework* is consistent with the *Commonwealth Risk Management Policy 2014* which provides for appropriate systems and internal controls for oversight and management of risk in Commonwealth entities. This framework is utilised by managers and staff in embedding risk management into their business decision-making processes.

The Mint has a wider risk management profile than most agencies. In addition to organisational risks, the Mint

has a wide range of business and commercial risks associated with its role as manufacturer and supplier of coin products to domestic and international markets.

A centralised Risk Register serves as a useful vehicle for analysing, recording and managing risks. Senior and first line managers across all branches are trained in the use of the register which, in 2015–16, contained over 140 risks under active management.

This register is supplemented by involvement of staff in risk identification and management. Other initiatives include appointing a risk management ‘champion’ in each business area, educating middle managers, monthly review of risks and submitting a quarterly review to the Mint Advisory Board.

The Mint will continue to maintain and enhance the *Risk Management Framework* by:

- focusing on education and encouraging staff at all levels to progress from being risk aware to being able to effectively manage risks
- training staff on risk assessment techniques for currently managed risks utilising case studies relevant to each audience
- continuing to address the requirements of the nine key elements of the *Commonwealth Risk Management Policy 2014*
- undertaking regular reviews of the Risk Management Framework to ensure its continued effectiveness.

Finance Report

For the financial year 2015–16 the Mint reported a before tax operating surplus of \$3.5 million and seigniorage payment of \$88.5 million to the Commonwealth’s Official Public Account.

The Mint’s net assets have increased by \$3.0 million over the previous year, resulting from an increase in total assets of \$25.8 million and total liabilities of \$22.8 million. The movement is a result of increased inventory in the second half of the year with raw material delivery brought forward to meet increased production and sales demand. Total liabilities increased in 2015–16 due to significant orders placed with product delivery expected in 2016–17.

Australian circulating coin finished good inventory is administered by the Mint on behalf of the Commonwealth. Two hundred and forty seven million pieces of administered inventory were sold to the commercial banks in 2015–16 with a face value of \$140.8 million. Two hundred and fifty one million Australian circulating coins were produced, reflecting the increased demand from previous years.

The National Coin Collection, for which the Mint is the custodian, was independently valued in 2015–16 at \$21.5 million.

The Mint’s internal controls and financial operations were audited by the Australian National Audit Office (ANAO). The outcome was an unqualified audit report for the 2015–16 financial statements as shown in section 6.

The Commonwealth’s compliance reporting requirements for 2015–16 have been successfully met using the biannual staff compliance sign-off and ongoing staff awareness sessions.

Coin Supply Chain

The operational aspects of the Australian circulating coin supply environment are monitored through the Coin Supply Chain Model (CSCM). The coin activity, holdings and underlying demand are regularly analysed and reported to the Coin Consultative Committee (CCC) comprising membership from the commercial banks and the Mint.

The CCC meets regularly to consider issues as they arise within the industry, identifying opportunities for efficiencies within the overall supply chain and driving any change or improvement initiatives.

A key highlight for 2015–16 was the 50th anniversary of decimal currency in February 2016. Unique commemorative designs for each of the 2016 denominations have offered an opportunity, through the community connection of *The Changeover Tour* visiting each state and territory, to educate and reach a much broader audience about the significance of such a milestone.

INTERNAL AND EXTERNAL SCRUTINY

Audit

The Audit Committee convened five times during 2015–16. The primary objective is to provide independent assurance to the Chief Executive, the Advisory Board and the senior management on the Mint’s risk, compliance and control framework, legislative obligations and external accountability responsibilities. The Audit Committee comprises of an independent chair, two independent members and a Mint appointed senior manager.

The Audit Committee has a continuous improvement approach to audit services and regularly reviews the Mint’s internal audit program and scrutinises recommendations from completed internal audits, as well as relevant ANAO reviews and best practice guidelines.

Internal Audits

The internal Audit Plan identifies services and functions to be audited. It incorporates issues raised in the ANAO external audit of financial statements, recent ANAO cross-agency reports, upcoming management issues, policy evaluations, previous internal audits and strategic risk management issues. A watching brief is maintained for emerging or topical issues which may impact on the Mint.

The following internal audit programs were undertaken during 2015–16:

- tooling and master dies
- packaging
- international business development
- internal audit recommendations follow up review

Ethical Standards and Accountability

The Mint’s leadership values are aligned with APS values and embedded within the Mint’s Performance Development Scheme.

These values are also communicated and supported by members of the Senior Management Team whenever the opportunity arises. The values are integrated into the Mint’s culture and decision-making process. Leaders are encouraged to consistently reflect the values in their own behaviour.

The Mint maintains ethical standards through a range of mechanisms including training, induction and the

development and implementation of policies such as the Fraud Control Plan, Accountable Authority Instructions, Information Technology acceptable use policies, and contractor and consultant guidelines.

During 2015–16, mandatory ethics awareness training courses were provided to all staff and contractors. Security awareness and health and safety training were also provided.

Organisation of the Mint

Details of the Mint’s organisational and management structures are set out in Section 2 of this report.

Arrangements for Outside Participation

The public can provide input, comments and feedback relating to the Mint to Treasury portfolio ministers, the Secretary to the Treasury or the Chief Executive Officer of the Mint. The public can also participate in discussions on Mint programs, activities and products through the Mint website and social media channels including Facebook, Instagram and Twitter.

Freedom of Information

During 2015–16 it was found that the Mint is exempt from the Freedom of Information Act as the Act applies only to Ministers and ‘agencies’. The Mint is not defined as an agency in the Freedom of Information act as it was not established by either an enactment or an Order-in-Council. Therefore, the Mint is not an agency for the purpose of the Act or subject to the provisions of the Act.

External Scrutiny

There were no significant developments in external scrutiny impacting the Mint relating to judicial and administrative tribunal decisions nor any reports on the operations of the Mint.

Remediation of information published in previous annual report

The following information are corrections from the Mint’s Annual Report 2014–15:

On page 29 the total expenditure for the new consultancy contracts should have been \$51 747.

On Table 5 on page 32, the SES row should have listed one non-ongoing male staff member instead of one female non-ongoing staff.

In Appendix A on page 93, the Totals of the Coin Purchases from the Mint 2014–15 should have read as in Table 5.

Table 5: Coin Purchases from the Mint 2014–15

| | \$2 | \$1 | 50c | 20c | 10c | 5c | 2c | 1c | Total |
|---------------------|-----------|---------|---------|---------|---------|---------|--------|--------|-----------|
| Total \$'000 | 1 583 096 | 891 346 | 478 281 | 371 793 | 229 741 | 217 376 | 48 784 | 31 170 | 3 851 587 |

In Appendix B on page 94, the total amount of 2014 \$1 standard coins should have been 0.052.

PROCUREMENT

The Mint's procurement framework reflects the core principle governing Australian Government procurement – value for money. Procurement of goods and services are consistent with the Mint's Accountable Authority Instructions (AAls) and the Commonwealth Procurement Rules (CPRs). The AAls on procurement reflect the principles and need for compliance with the Commonwealth policy for sourcing potential suppliers or entering into contracts. Details of procurement arrangements with a value of \$10 000 or more are published on AusTender (www.tenders.gov.au).

These policies and practices focus on:

- value for money
- open and effective competition
- ethics and fair dealing
- accountability and transparency
- national competitiveness and industry development
- compliance with other Australian Government policies.

The Mint's purchasing activities are coordinated through the Finance Branch which advises on government procurement requirements. Its services include contract management advice, complying with the ANAO Better Practice Guide on all aspects of the procurement cycle, tendering process preparation including evaluations, procurement and evaluation plans and the annual procurement plan.

The Mint supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance's website.

To support SMEs, the Mint utilises the Commonwealth Contracting Suite for low-risk procurements valued under \$200 000 and has an electronic system in place

to adhere to payment term deadlines. The Mint is currently investigating the opportunities available from local manufacturers for generic packaging products. This activity is in line with the Mint's procurement policy to obtain value for money but upholding openness, transparency and integrity. During the 2015–16 financial year procurement completed a major contract for cleaning services.

The Mint recognises the importance of ensuring small businesses are paid on time. The Survey of Australian Government Payments to Small Business results can be found on www.treasury.gov.au

Exempt Contracts

The Mint currently has a number of contracts exempt from AusTender in accordance with the CPRs clause 2.9 (e) 'purchases of property or services used in the production of goods for resale'.

These are for:

- freight services
- printing and packaging
- precious metals
- machinery used for the production of coins
- circulating coin blanks.

Australian National Audit Office Access

All Mint contracts are free of provisions limiting access by the Auditor-General.

GRANT PROGRAMS

The Mint did not administer any discretionary or nondiscretionary grant programs in 2015–16.

CONSULTANCIES

Consistent with the CPRs, the Mint engages consultants on the basis of:

- value for money
- open and effective competition

- ethics and fair dealing
- accountability and reporting
- national competitiveness and industry development
- support for other Australian Government policies.

Typically, consultants are engaged to investigate or diagnose a defined issue or problem; carry out defined research, reviews or evaluations; provide independent advice and information or creative solutions to assist the Mint to manage their decision making.

The most common reasons for the engagement of consultancy services are:

- unavailability of specialist in-house resources in the short timeframe allowed
- the need for an independent study or review
- specialist skills and knowledge not available in-house.

During 2015–16, four new consultancy contracts were entered into involving total actual expenditure of \$71 200. In addition, one ongoing consultancy contract was active during the period, involving total actual expenditure of \$11 770.

Providers of consultancy services are selected through the following methods:

- Open Tender (OT) – A procurement procedure involves publishing an open approach to market and inviting submissions.
- Prequalified Tender (PT) – A procurement procedure involves publishing an approach to market and inviting submissions from all potential suppliers.
- Limited Tender (LT) – A procurement procedure involves an agency approaching one or more potential suppliers to make submissions, where the process does not meet the rules for open tender or prequalified tender.

Justification for decision to use consultancy:

- skills currently unavailable within agency
- need for specialised or professional skills
- need for independent research or assessment.

Annual reports contain information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the AusTender website.

Asset Management

The Mint manages and reports both current and non-current assets in accordance with guidelines set out in the AAls and Australian Accounting Standards.

Non-current assets are subject to an annual stocktake to ensure accuracy of records. The Mint's revaluation strategy ensures correctness of the carrying fair value amount at reporting date.

The Mint manages four types of fixed asset classes:

- plant and equipment
- leasehold improvements
- intangibles
- Heritage and Cultural including the National Coin Collection (NCC).

These assets have a total net value of \$61.6 million including \$1.9 million work in progress associated with capital programs being undertaken across the Mint.

The NCC, under the control of the Mint, is a restricted asset because it is not available to be sold or made available to a third party. An independent valuation was conducted to provide a fair value of the NCC as at 30 June 2016.

All assets are assessed for impairment at each reporting date.

Advertising and Market Research

During 2015–16, the Mint did not conduct any advertising campaigns. The Mint did utilise general advertising throughout 2015–16 to promote its products, tourism attraction and events. Market research was also conducted throughout the year to gauge customer satisfaction with products and services as well as test new products and ideas. Table 6 outlines product advertising and market research expenditure over \$12 700 for 2015–16.

Table 6: Expenditure for advertising and market research in 2015–16

| Vendor | Purposes | Cost (\$) GST Inclusive |
|-----------------|---|-------------------------|
| Colmar Brunton | Market research program | 50 270 |
| Dentsu Mitchell | Media booking services and advertising placement for numismatic products and Tourism & Gallery. | 706 596 |
| TOTAL | | \$756 866 |

MANAGEMENT OF HUMAN RESOURCES

The Mint's Human Resources Management Information System (HRMIS), CHRIS21, provides detailed Human Resources (HR) metrics for the business to assist in workforce planning and staff management. Senior Managers utilise these reports to plan and forecast trends, succession plan and assist in resource management in the short and long term to ensure business objectives are met.

Performance Development Scheme

The Mint manages staff performance through Individual Work Plans (IWPs) based either on business or competency outcomes depending on the staff member's role. The Mint focuses on individual accountability for own performance, with accountability embedded as a requirement in the IWPs of all staff.

The development of competencies and Key Performance Indicators (KPIs) across business units providing quantifiable performance measures aided in the assessment of performance.

As with previous years, managers and supervisors were assessed through 180 degree feedback from their direct staff and peers. Comprehensive leadership training was also provided to supervisors and middle managers with one session on difficult conversations cited as being particularly valuable.

Over the next year, the Mint intends to evaluate existing positions and roles with the aim of ensuring that it has staff in roles that best enables the Mint to achieve business goals and outcomes identified in its Corporate Plan and other strategic business planning documents.

Enterprise Agreement

The Mint Enterprise Agreement 2016–19 came into effect on 29 March 2016 following a 61 per cent 'yes' vote by staff. The salary increases were 3 per cent on commencement, 1.5 per cent on the anniversary of commencement in 2017 and another 1.5 per cent again in 2018.

Workplace Relations

The Mint has a range of formal and informal consultative mechanisms of which the Mint Consultative Committee is a key participant. Chaired by the CEO, it comprises Mint management and employee representatives, as well as representatives from the Community and Public Sector Union and the Australian Manufacturing Workers Union.

During the year, Mint employees continued to be informed of business developments and activities through a number of channels. A monthly All Staff Meeting ensures that staff across the whole Mint are kept informed regarding events, products and activities. The internal website (Mintranet) is a channel for instant dissemination of news or notices to staff.

Recruitment and Succession Planning

Recruitment increased substantially after the Government's freeze on hiring was lifted in 2015. Initially, recruitment actions aimed at filling a backlog of positions to ensure retention of technical and trades staff with specialist skills. In a successful trial, social media was also utilised for vacancy advertisements.

To manage an ageing workforce, the Mint continued to stress to staff of their own responsibility for individual health and wellbeing with the Mint continuing to



The Mint is committed to ensuring the wellbeing of staff and visitors.

organise or subsidise health and fitness initiatives such as the WellMint program. During the year, talks were held focusing on retirement and flexible working issues for staff contemplating retirement.

The Mint employed two electrical apprentices and one mechanical engineering apprentice during 2015–16. Another mechanical engineering apprentice completed their apprenticeship during the year.

Two interns from the ANU School of Business Administration joined the Mint over a ten-week period from April – June 2016. They completed a customer segmentation market research project and identified new international business opportunities for the Mint. The Mint did not offer an engineering internship in 2015–16 as the high workload in engineering areas limited the ability of engineering staff to perform the close supervision and mentoring needed by interns.

Training

The Mint continued to invest in staff development. The Learning and Development (L&D) Coordinator conducted the Mint's third 'Leading Minties' training program

in 2015–16. This internally developed training, coaching and mentoring program is designed for high performing staff with leadership potential. Altogether, 62 staff members have successfully completed the program over the past three years. The program continues in 2016–17 with another 18 staff members expected to participate.

Production staff also received specific attention with 85 per cent of the Mint's production staff positions having now completed competency assessments to assist in identifying learning needs. Significant external training for production staff members was coordinated and managed by the L&D Coordinator in line with their Individual Learning Plans and business needs.

A total of 182 staff received training within a budget of \$250 000. Training included courses at tertiary institutions, apprenticeships necessary for additional qualifications, safety courses, executive development courses and finance courses.

Staffing Information

All staff are employed under the *Public Service Act 1999*. Staffing information is provided in Tables 7, 8 and 9.

Table 7: The Mint operative and paid inoperative staff by classification and gender (as at 30 June 2016)

| Classification | Ongoing | | | | Non-ongoing | | | | Total |
|----------------|------------|-----------|-----------|----------|-------------|-----------|-----------|-----------|------------|
| | Full Time | | Part Time | | Full Time | | Part Time | | |
| | Male | Female | Male | Female | Male | Female | Male | Female | |
| Apprentice | | | | | 2 | 1 | | | 3 |
| APS1 | | | | | 7 | 10 | | 2 | 19 |
| APS2 | 14 | 22 | | | 3 | 4 | 3 | 9 | 55 |
| APS3 | 10 | 6 | 1 | | 3 | 6 | 3 | 4 | 33 |
| APS4 | 30 | 6 | | | 2 | | 2 | 5 | 45 |
| APS5 | 22 | 8 | | 1 | 2 | 2 | 1 | 1 | 37 |
| APS6 | 14 | 9 | 1 | 1 | | | | | 25 |
| EL1 | 11 | 5 | 1 | 1 | | | | | 18 |
| EL2 | 3 | 2 | | | 1 | | | 1 | 7 |
| SESB1 | | | | | | | | | 0 |
| SESB2 | | | | | 1 | | | | 1 |
| SESB3 | | | | | | | | | 0 |
| Total | 104 | 58 | 3 | 3 | 21 | 23 | 9 | 22 | 243 |

Table 8: The Mint's operatives paid under the Agency Enterprise Agreement and IFAs (as at 30 June 2016)

| | No of Employees |
|----------------------|-----------------|
| Enterprise Agreement | 242 |
| SES | 1 |

Table 9: Salary ranges for Enterprise Agreement and IFAs (as at 30 June 2016)

| Classification | Minimum \$ | Maximum \$ |
|----------------|------------|------------|
| Apprentice | 22 624 | 44 069 |
| APS1 | 43 769 | 47 133 |
| APS2 | 49 013 | 53 517 |
| APS3 | 56 252 | 60 208 |
| APS4 | 62 844 | 66 522 |
| APS5 | 70 004 | 73 804 |
| APS6 | 80 037 | 87 451 |
| EL1 | 97 734 | 108 950 |
| EL2 | 116 114 | 129 857 |
| IFA | 114 100 | 195 928 |
| SESB1 | 195 474 | 227 184 |
| SESB2 | 239 579 | 280 415 |

Workplace Diversity

The Mint continues to have one of the most diverse workforces in the APS. Thirty two per cent of employees are from non-English speaking backgrounds while 11 per cent were born overseas in countries where English is not the first language. Table 10 provides specific information on the equal employment opportunity target groups.

The workforce currently comprises 30 per cent of staff over the age of fifty. The Mint will continue to support its ageing workforce by providing access to health and wellbeing and transition to retirement programs, and involving them in succession planning.

The Mint's Enterprise Agreement has provisions to ensure staff can balance work, family and other caring responsibilities. Part-time and flexible working hours are available to all employees.

Indigenous Employees

The Mint has one employee who has declared that he is of Indigenous descent. The Mint will continue to request that employees declare their Indigenous heritage if applicable.

Table 10: Equal Employment Opportunity (EEO) Target Groups

| Classification | Female | Born Overseas | ESL | AATSI | Disability |
|----------------|------------|---------------|-----------|----------|------------|
| Apprentice | 1 | | | | |
| APS1 | 2 | 4 | 3 | | |
| APS2 | 41 | 32 | 27 | | |
| APS3 | 14 | 21 | 18 | 1 | 1 |
| APS4 | 17 | 13 | 9 | | |
| APS5 | 10 | 11 | 8 | | 2 |
| APS6 | 12 | 15 | 6 | | |
| EL1 | 6 | 3 | 2 | | |
| EL2 | 3 | 5 | 4 | | |
| SESB1 | | | | | |
| SESB2 | | | | | |
| Total | 106 | 104 | 77 | 1 | 3 |

Changes to Disability Reporting in Annual Reports

Since 1994, Commonwealth departments and agencies have reported on their performance as policy adviser, purchaser, employer, regulator and provider under the Commonwealth Disability Strategy. In 2007-08, reporting on the employer role was transferred to the Australian Public Service Committee's State of Service reports and the APS Statistical Bulletin. These reports are available at www.apsc.gov.au From 2010-11, departments and agencies have no longer been required to report on these functions.

The Commonwealth Disability Strategy has been overtaken by the National Disability Strategy 2010-2020, which sets out a 10-year national policy framework to improve lives of people with disability, promote participation and create a more inclusive society. A high-level, two-yearly report will track progress against each of the six outcome areas of the strategy and present a picture of how people with disability are faring. The first of these progress reports were published in 2014, and can be found at www.dss.gov.au

Social Club

The Mint Social Club had another successful year in 2015-16. The Mint's end-of-year Christmas Party at Albert Hall was funded almost entirely by the Social Club from money raised at its activities.

During the year, the Social Club continued to organise activities that encouraged staff from across the Mint to mingle, including sausage sizzle lunches, raffles, themed morning teas, a multicultural luncheon and a Melbourne Cup luncheon.

HEALTH, SAFETY, WELLNESS AND ENVIRONMENT

The Mint is committed to ensuring the wellbeing of staff and visitors through a 'safety first' approach championed by the CEO through all levels of the organisation. Throughout 2015-16, the Mint undertook initiatives to demonstrate this commitment towards staff health, safety and wellness.

WellMint Initiatives

In 2015-16, the Mint's wellness program, WellMint, achieved a significant uptake in staff participation. There was enthusiastic participation in WellMint health and wellness activities such as *Encourage Me*, *Nourish Me*, *Energise Me*, *Mobilise Me*, *Motivate Me* and *Walk with Me*. Together they were an important part of the Mint's strategy to prevent workplace injuries due to staff lack of fitness or agility. As part of injury and illness prevention, 132 staff received the influenza vaccination.

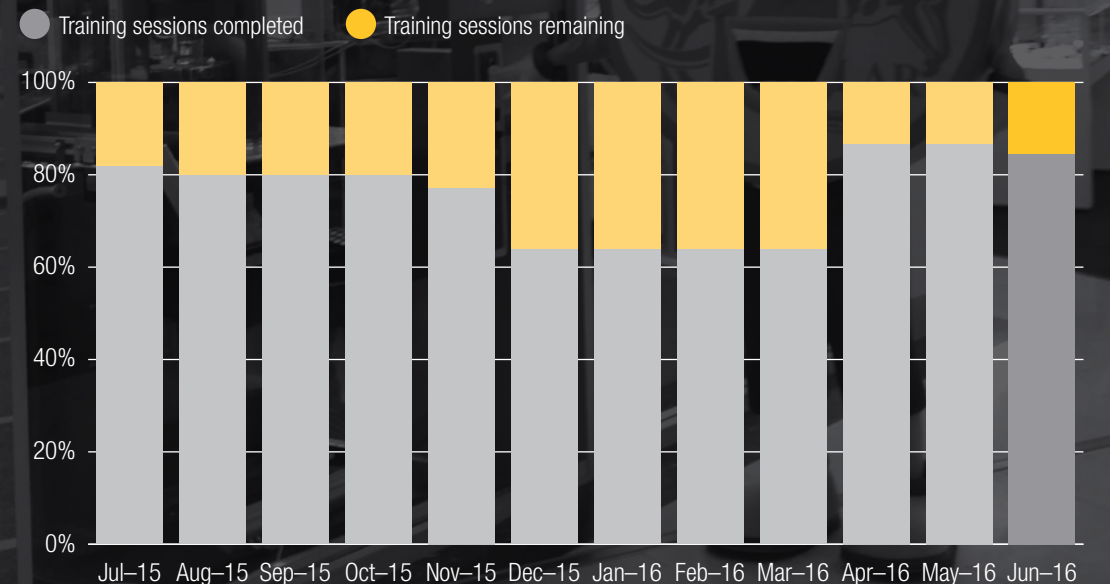
In September 2015, the Mint sponsored staff who wished to participate in the 'Steptember' challenge to take 10 000 steps a day, with proceeds going to the support for those with cerebral palsy. Seventy per cent of staff took up the challenge.

The *healthy lifestyle allowance* of \$250 is offered to each staff member to encourage positive lifestyle pursuits such as 'quit smoking' programs and fitness centre memberships. In 2015-16, 155 staff accessed the *healthy lifestyle allowance*. An additional \$50 per staff member goes to directly fund WellMint initiatives.

Health and Safety Initiatives

A strong Health, Safety and Environment Management System (HSEMS) continued to contribute to the Mint's achievement of AS/NZS 4801 and OHSAS 18001 certification. This was supported by a strong health and safety training framework with 88 per cent of training requirements completed in 2015-16 (seen in Figure 7).

FIGURE 7
Percentage of training sessions completed and remaining through 2015-16



During the year, the Mint continued its risk-based occupational hygiene survey program to monitor the occupational environment for hazards including noise, light quality, airborne particulates, mycological and chemicals.

Additionally, the workplace inspection program achieved a significant completion rate of 100 per cent for 2015–16. As part of the Mint's statutory requirements the Mint conducted numerous health monitoring tests as seen in Table 11.

Table 11: Health Monitoring

| Health Monitoring | 11–12 | 12–13 | 13–14 | 14–15 | 15–16 |
|-----------------------------------|-------|-------|-------|-------|-------|
| Audiometric testing | 36 | 44 | 92 | 0 | 68 |
| Eyesight testing | 59 | 20 | 16 | 21 | 20 |
| Biological testing (Heavy metals) | 65 | 62 | 0 | 0 | 68 |
| Pre-employment health checks | 36 | 44 | 23 | 0 | 37 |
| Drug and alcohol testing | 0 | 0 | 0 | 0 | 0 |

Health and Safety Incidents

In 2015–16, the Mint reported one Comcare notifiable incident and zero Australian Radiation Protection and Nuclear Safety Agency (ARPANSA) notifiable incidents. Statutory notifications are shown in Table 12 and 13. As at 30 June 2016, the Mint received zero Comcare statutory enforcement.

Table 12: Comcare notifiable incidents

| Comcare Notifiable incident | 11–12 | 12–13 | 13–14 | 14–15 | 15–16 |
|----------------------------------|-------|-------|-------|-------|-------|
| Deaths | 0 | 0 | 0 | 0 | 0 |
| Dangerous incidents | 5 | 4 | 1 | 1 | 0 |
| Serious personal injury | 1 | 0 | 0 | 0 | 1 |
| Incapacity | 0 | 0 | 0 | 0 | 0 |
| Total | 6 | 4 | 1 | 1 | 1 |
| Incidence rate (per 100 workers) | 2.86 | 1.74 | 0.43 | 0.47 | 0.41 |

Table 13: ARPANSA notifiable incidents

| ARPANSA notifiable incident | 11–12 | 12–13 | 13–14 | 14–15 | 15–16 |
|----------------------------------|-------|-------|-------|-------|-------|
| Number of reports | 0 | 0 | 0 | 0 | 0 |
| Incidence rate (per 100 workers) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

ENVIRONMENTAL PERFORMANCE

Energy Management

The Mint monitors its energy usage in accordance with Energy Efficiency in Government Operations (EEGO) energy intensity targets. Trending of energy consumption enables the Mint to analyse increase in production activity and identify areas of waste through the energy monitoring system. Figures 8 and 9 detail the Mint's electricity and gas consumption.

The Mint continues to effectively manage its energy usage while maintaining the facility's seasonal demands. Air conditioning is a major contributor of energy consumption for both electricity and natural gas. Temperature settings are continually monitored and adjusted to maintain comfortable conditions for both staff and visitors to the Mint. Air conditioning operations are restricted to business operational hours and programmed accordingly. Effective servicing and optimisation of the air conditioning system also contributed to the reduction of operating and energy costs within the facility.

Lighting operations are also scheduled to automatically coincide with business operational times. In 2015–16 the Mint negotiated with the building owner to have roof skylights sheeted with a fiberglass glazing to further improve the thermal conditions and operating costs for the facility. Approximately 30 per cent of the roof skylights have been completed with the remaining skylights to be completed in 2016–17.

FIGURE 8
Electricity usage (kwh)

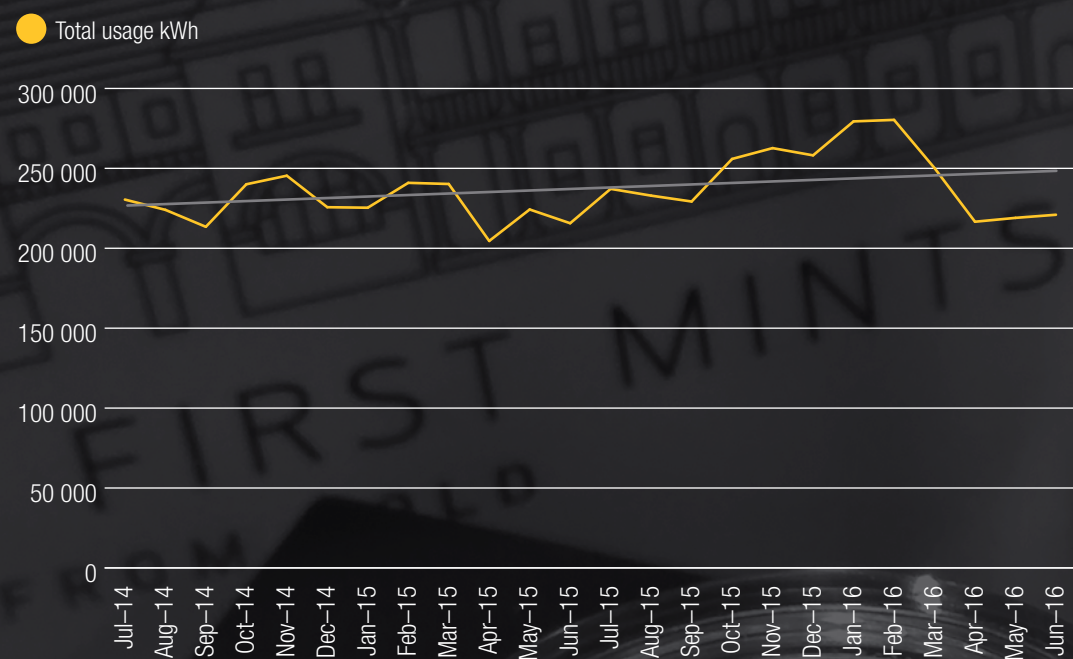
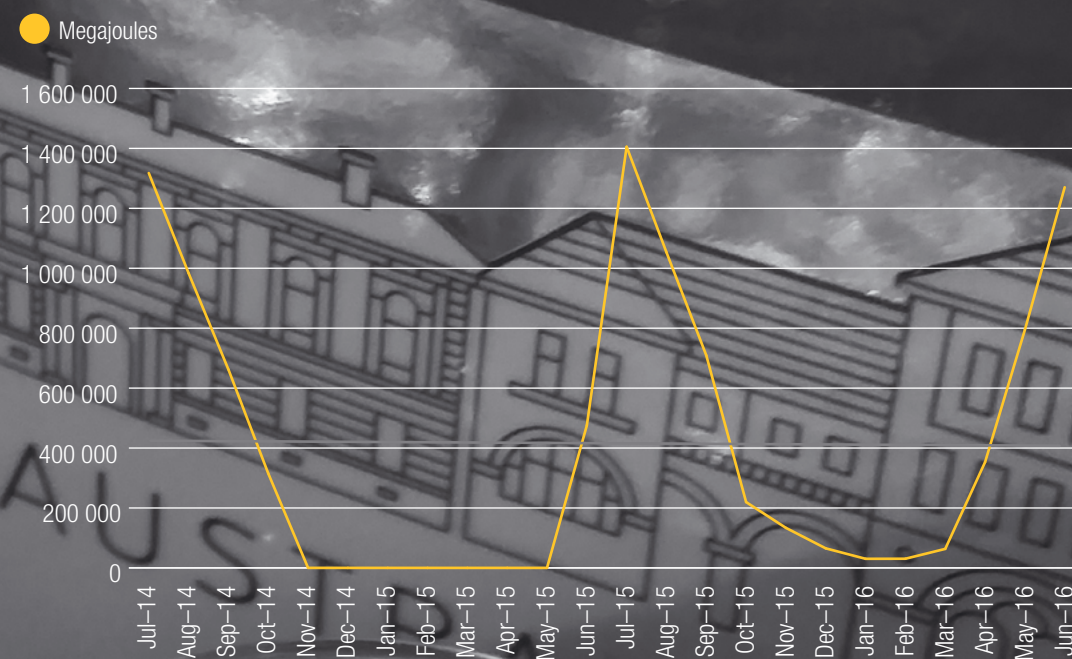


FIGURE 9
Natural gas consumption



Solar Panel Photovoltaic Energy System

With the completion of one of Canberra's largest rooftop solar panel arrays, the Mint has generated 88 984.076 kilowatts (kW) of renewable energy since its completion in March 2016. Table 14 details the specifications of the solar panel system with Figure 10 demonstrating the amount of solar power generated.

Partnering with Origin Energy, the Mint has achieved value for money through sustained reduction in total

electricity costs and reduction in carbon intensity by replacing peak electricity consumption with renewable solar energy.

The solar energy system has the capacity to generate 263 kW of power. Through the Building Energy Management System, the Mint monitors the performance and trend measurement of the generation of solar power. A public display monitor was installed in the Mint's main foyer providing visitors to the Mint with visibility of how the system is performing.

Table 14: Solar panel system specifications

| Solar panel system specifications | |
|-----------------------------------|----------------------|
| Number of solar panels | 924 |
| Nominal output of solar panels | 296W |
| Total system size | 263.3kW |
| Indicative system yield p.a. | 392 441 kWh (392 mW) |

Water and Waste Management

Water consumption has continued to trend downwards as seen in Figure 11. To further reduce water consumption, the Mint ensures garden irrigation systems are not used during periods of rainfall.

The Mint's recycling and disposal waste management program has maintained steady results. The introduction of the Mint's LEAN program and standardised

packaging has resulted in a downtrend of obsolete packaging disposal.

General waste has maintained a low disposal rate compared to previous years in response to staff awareness and education programs conducted for the benefits of recycling.

Paper recycling has been steadily declining as a direct result of the increased usage of the electronic records management system and can be seen in Figure 12.

FIGURE 10 Solar Power Generation March – June 2016

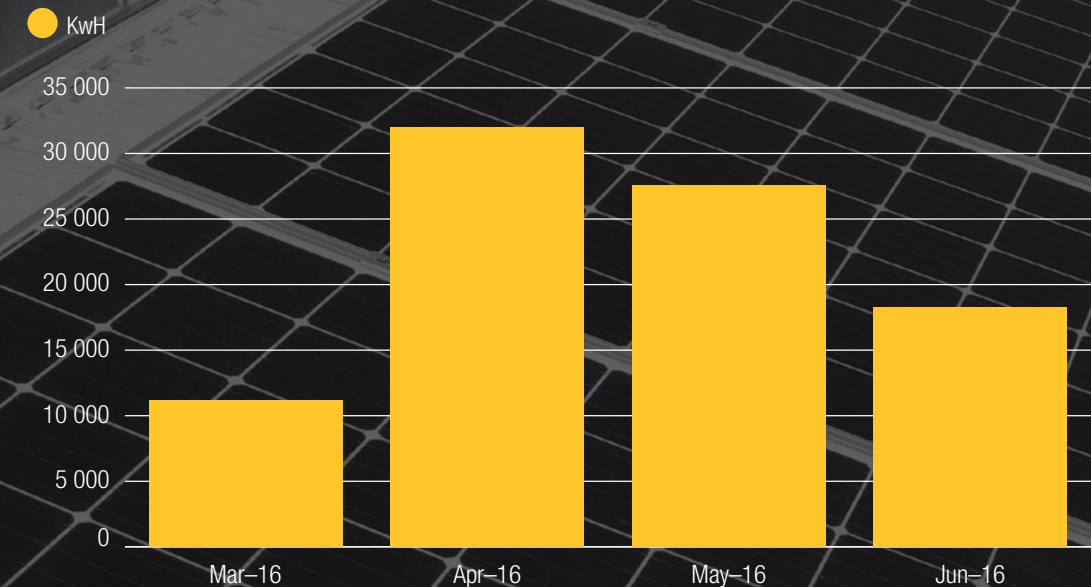


FIGURE 11
Water consumption in kilolitres per quarter

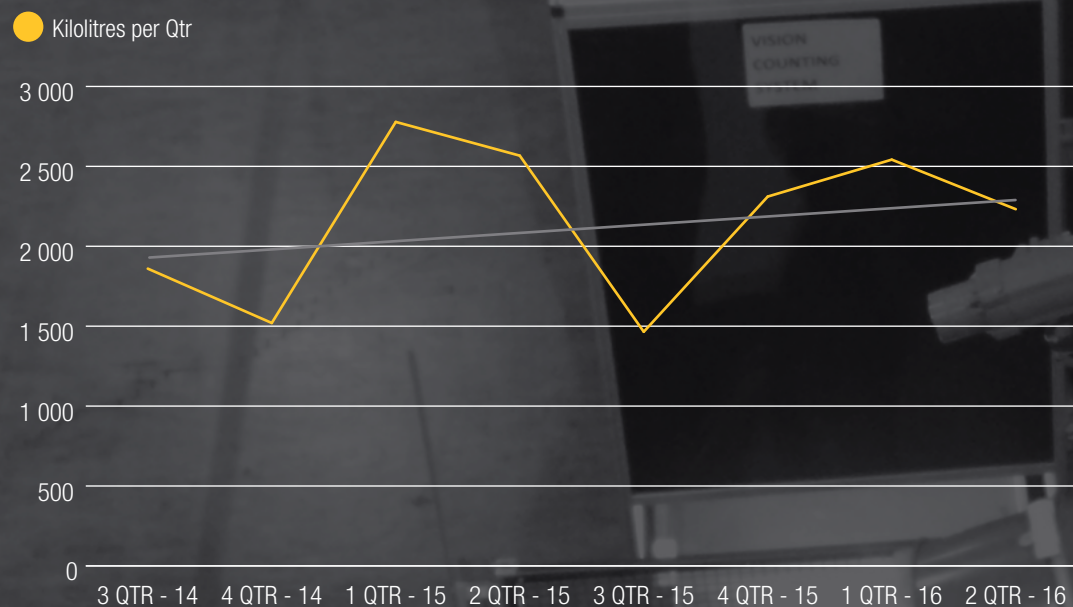
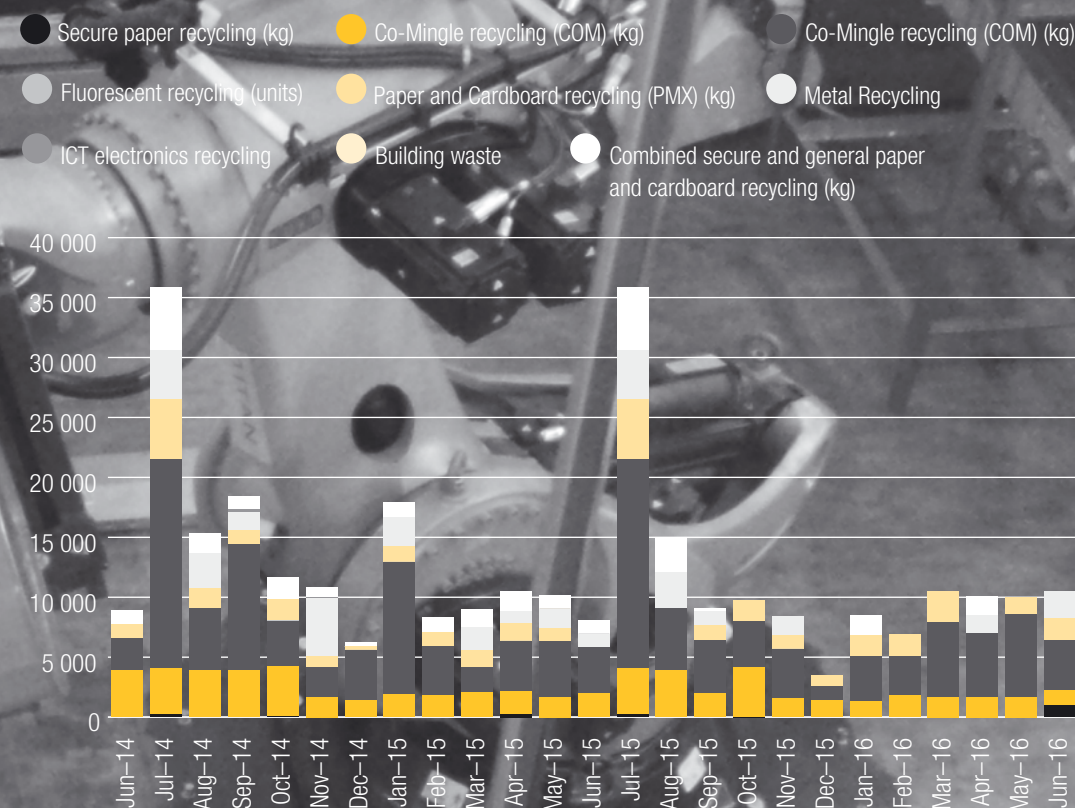


FIGURE 12
Recycling and waste disposal 2015-16



5

Meet the demands of the Australian economy, collectors and foreign countries.

ANNUAL PERFORMANCE STATEMENTS

Annual Performance Statements

ANNUAL PERFORMANCE STATEMENTS 2015–16

Introductory Statement

I, Ross MacDiarmid, as the accountable authority of the Royal Australian Mint, present the 2015–16 annual performance statements of the Royal Australian Mint, as required under paragraph 39(1)(a) of the Public Governance, Performance and Accountability Act 2013 (PGPA Act). In my opinion, these annual performance statements are based on properly maintained records, accurately reflect the performance of the entity, and comply with subsection 39(2) of the PGPA Act.

Entity Purpose

To produce and distribute circulating coins, collector coins and minted like products to meet the demands of the Australian economy, collectors and foreign countries.

Results achieved for 2015–16

| Activity | Performance Measurement Methodology | Targets for Performance Measures | Results Achieved |
|--|-------------------------------------|---|---|
| Have the capability and readiness to be a highly effective and efficient supplier | Gross margin result | 1.25% p.a. improvement in gross margin across all business segments | 1) Circulating Coin – 85% GM (increase of 11% from last year) 2) Numismatic – 60% GM (increase of 11% from last year) 3) International – 18% (decrease of 17% from last year) |
| | Delivered In-Full, On-Time (DIFOT) | DIFOT – 95% | Due to the much greater than expected demand in all business lines DIFOT was only at 84% |
| | Expenditure | Administrative expenses held constantly over planning periods | Increase of 3.5% compared to last year |

| Activity | Performance Measurement Methodology | Targets for Performance Measures | Results Achieved |
|--|--|--|---|
| Target and convert revenue growth opportunities | Growth in gross revenue for numismatic and international circulating coin business | 10% p.a. average growth in gross revenue | 1. Numismatic – 19% growth from last year 2. International – 129% growth from last year |
| | Increase in number of visitors to the Mint | 280 000 visitors by 2018–19, of which 30% will be students | 299 739 visitors in 2015–16 of which 17.4% students |
| Build positive brand recognition | Increase in the positive recognition of the Mint | Net promoter score of 60% | 55.4% achieved in 2015–16 |
| | Increase in the level of satisfaction with the Mint experience | Customer satisfaction 90% | 83.4% of visitors surveyed rated their overall experience 4 or 5 out of 5 |
| Reduce waste and inefficient process | Reject and rework rates | Reject and rework rates to decrease by 60% | Not achieved – now at an average 11% in NBL and zero in Circulating. However, with the progressive implementation of lean the Mint's operational cost has declined on a per unit basis. |
| | International quality standard accreditation | Achieve and /or maintain ISO9001, AS/NZ4801 and ISO14001 accreditation | All retained |
| Ensure a safe and secure environment | Workers compensation premium | Premium reduction | Premium increased by 3.4% in 2015–16 |
| | Number of security breaches | No security breaches | There were no security breaches. |

| Activity | Performance Measurement Methodology | Targets for Performance Measures | Results Achieved |
|--|-------------------------------------|---|---|
| Have engaged, motivated and committed staff | Staff satisfaction rating | Staff satisfaction rating of 85% | Survey not undertaken. Last survey indicated rating at 72%. |
| | Revenue per employee | Increase in revenue by employee by a minimum of 6% p.a. | 1. Circulating Coin – 15% growth from last year 2. Numismatic – 5% growth from last year 3. International – 97% growth from last year |
| Satisfy stakeholder expectations and requirements | Stakeholder satisfaction rating | Satisfaction rating of 95% | Survey not undertaken. However, there were no complaints. |
| | Delivered In-Full, On-Time (DIFOT) | DIFOT – 95% | All mandatory reports were delivered on times. Advisory Board papers need to be delivered earlier. |

Analysis

In this last financial year the Mint has experienced an unexpected surge in demand for circulating coin with revenues exceeding budget by 24 per cent. The ability to respond to this unusual demand and the release of coloured circulating coins as well as the ongoing supply of circulating coins to our Pacific Nation partners was testament to the increasing agility and flexibility of the Mint, as it continues to implement the lean approach to manufacturing.

The demand for circulating coin has resulted in seigniorage of \$88.5 million. Record revenue from the commercial business of \$58 million, up on 2014–15 by 35 per cent as well as record visitation of 300 000 visitors, up again by 9 per cent, has all contributed to the Mint achieving an EBIT of \$3.5 million an increase over 2014–15 EBIT by \$2.6 million.

All combined the Mint has achieved a Return on Net Assets of 71 per cent.

The higher than expected demand for circulating coin is a reflection of a combination of some disruption in the supply chain, which may have a counter balancing effect in 2016–17, and what the banks have described as an increase reflecting greater consumer demand in “tighter economic conditions”.

The commercial business of domestic and international numismatic, international circulating coin, custom or contract minting and ‘other security services’ has experienced significant growth derived primarily from four major programs:

- A continuation of the Anzac Centenary program and in particular working closely with News Corp Limited
- The Olympic program in which we have partnered with Woolworths, a joint Australian Olympic and Paralympic Team partner, to distribute 12 million commemorative coins
- A celebration of the *50th anniversary of decimal currency* in which we released a range of special circulating and numismatic coins
- The supply of investor product to a major international customer.

Other highlights for the year have been winning the circulating coin tender to supply Timor Leste for a five year period and operational output records being surpassed in packing, colour circulating coin production as well as die polishing. In summary, the Mint has had an outstanding year and in doing so acknowledges the amazing commitment, determination and engagement of its staff, never better exemplified than when staff hosted over 9000 visitors to the Mint on the open day to celebrate the *50th anniversary of decimal currency*.

6

3458217



FINANCIAL STATEMENTS



INDEPENDENT AUDITOR'S REPORT

To the Minister for Small Business

I have audited the accompanying annual financial statements of the Royal Australian Mint for the year ended 30 June 2016, which comprise: Statement by the Accountable Authority and Chief Financial Officer; Statement of Comprehensive Income; Statement of Financial Position; Statement of Changes in Equity; Cash Flow Statement; Administered Schedule of Comprehensive Income; Administered Schedule of Assets and Liabilities; Administered Reconciliation Schedule; Administered Cash Flow Statement; and notes comprising significant accounting policies and other explanatory information.

Opinion

In my opinion, the financial statements of the Royal Australian Mint:

- (a) comply with Australian Accounting Standards and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Royal Australian Mint as at 30 June 2016 and its financial performance and cash flows for the year then ended.

Accountable Authority's Responsibility for the Financial Statements

The Chief Executive of the Royal Australian Mint is responsible under the *Public Governance, Performance and Accountability Act 2013* for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards and the rules made under that Act. The Chief Executive of the Royal Australian Mint is also responsible for such internal control as is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I have conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. These auditing standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

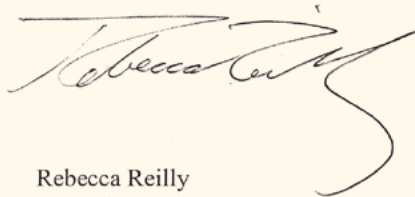
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Accountable Authority of the entity, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

In conducting my audit, I have followed the independence requirements of the Australian National Audit Office, which incorporate the requirements of the Australian accounting profession.

Australian National Audit Office



Rebecca Reilly
Executive Director

Delegate of the Auditor-General

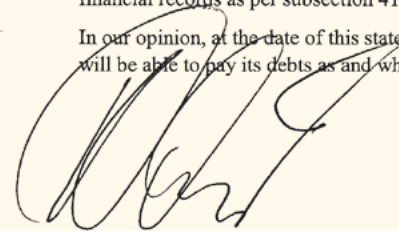
Canberra
23 September 2016

ROYAL AUSTRALIAN MINT

Statement by the Accountable Authority and Chief Financial Officer

In our opinion, the attached financial statements for the year ended 30 June 2016 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

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



Ross MacDiarmid
Accountable Authority

23 September 2016



Krishna Kumar
Acting Chief Financial Officer

23 September 2016

ROYAL AUSTRALIAN MINT**Statement of Comprehensive Income***for the period ended 30 June 2016*

| | Notes | 2016 \$'000 | 2015 \$'000 | Original Budget \$'000 |
|--|-------|----------------|----------------|------------------------------|
| NET COST OF SERVICES | | | | |
| Expenses | | | | |
| Employee benefits | 1.1A | 20,117 | 19,040 | 20,487 |
| Suppliers | 1.1B | 71,576 | 57,007 | 61,514 |
| Depreciation and amortisation | 2.2A | 4,499 | 4,540 | 4,321 |
| Finance costs | 1.1C | 54 | 63 | 54 |
| Write-down and impairment of assets | 1.1D | 2,248 | 816 | - |
| Royalties | 1.1E | 3,365 | 1,206 | 828 |
| Foreign exchange losses | 1.1F | 67 | 54 | - |
| Losses from asset sales | | 140 | 4 | - |
| Total expenses | | 102,066 | 82,730 | 87,204 |
| OWN-SOURCE INCOME | | | | |
| Own-source revenue | | | | |
| Sale of goods and rendering of services | 1.2A | 104,683 | 82,758 | 89,488 |
| Interest (Competitive neutrality equivalent) | | 420 | 484 | 1,000 |
| Rental income | | 305 | 308 | 300 |
| Other revenue | 1.2B | 193 | 159 | - |
| Total own-source revenue | | 105,601 | 83,709 | 90,788 |
| Gains | | | | |
| Other | 1.2C | - | 4 | 130 |
| Total gains | | - | 4 | 130 |
| Total own-source income | | 105,601 | 83,713 | 90,918 |
| Net contribution by goods and services | | 3,535 | 983 | 3,714 |
| Surplus before income tax on continuing operations | | 3,535 | 983 | 3,714 |
| Income tax (expense)/benefit | 1.1G | (618) | (217) | (1,114) |
| Surplus attributable to the Australian Government | | 2,917 | 766 | 2,600 |
| OTHER COMPREHENSIVE INCOME | | | | |
| Items that will not be reclassified to net cost of services | | | | |
| Changes in asset revaluation reserves | | (84) | (379) | - |
| Total other comprehensive income before income tax | | (84) | (379) | - |
| Income tax (expense)/benefit - other comprehensive income | | 210 | 386 | - |
| Total other comprehensive income after income tax | | 126 | 7 | - |
| Total comprehensive income | | 3,043 | 773 | 2,600 |

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

| Explanation of major variances | Affected line item |
|---|---|
| Expenses | |
| Employees were awarded a 3 percent pay rise this year but the total employee benefits were still under budget as a result of a reduction in FTEs in line with government policy. | Employee benefits |
| Supplier expenses were higher than budgeted because of the cost of meeting the high demand for circulating coins during the year. | Suppliers |
| Production costs of Olympics coins sold in June created a small additional variance from budget. | |
| The Mint does not budget for write-down of assets since the amount is unknown. A small amount of inventory and other assets were written off and some metal content was recovered and sold. | Write-down and impairment of assets |
| At the end of the year assets were revalued and a decrement in the value of leasehold improvements was recognised as an impairment because there was no revaluation reserve for the relevant asset class. | |
| Producing coins to mark the 2016 Olympics meant that royalties had to be paid to use the Olympics logo, and to use the Queen's head effigy on each coin. These two royalty payments explain the variance from budget. | Royalties |
| The effective rate of income tax is lower than budget due to the utilisation of past tax losses. | Income tax expense |
| Revenue | |
| Demand for circulating coins was 24 percent above budget; hence revenue received from supply of circulating coins was greater than expected. | Sale of goods and rendering of services |
| Revenue from a contract to supply approximately four million Olympics coins provided a \$8 million boost to commercial revenue not anticipated at the time of preparing the budget. | |
| Market conditions for investment products (gold coins) also improved this year, adding \$8 million to commercial revenue. | |

ROYAL AUSTRALIAN MINT

Statement of Financial Position

for the period ended 30 June 2016

| | Notes | 2016 \$'000 | 2015 \$'000 | Original Budget \$'000 |
|---|-------|----------------|----------------|------------------------------|
| ASSETS | | | | |
| Financial Assets | | | | |
| Cash and cash equivalents | 2.1A | 8,381 | 7,402 | 5,116 |
| Trade and other receivables | 2.1B | 45,900 | 29,066 | 28,134 |
| Total financial assets | | 54,281 | 36,468 | 33,250 |
| Non-Financial Assets | | | | |
| Leasehold improvements | 2.2A | 21,815 | 23,903 | 23,634 |
| Property, plant and equipment | 2.2A | 16,896 | 17,992 | 18,745 |
| Heritage and cultural collections | 2.2A | 21,584 | 21,243 | 21,148 |
| Intangibles | 2.2A | 1,296 | 1,041 | 874 |
| Inventories | 2.2B | 46,228 | 36,203 | 43,210 |
| Deferred tax assets | 1.1G | 1,204 | 1,612 | - |
| Prepayments | 2.2C | 2,247 | 1,246 | 2,030 |
| Total non-financial assets | | 111,270 | 103,240 | 109,641 |
| Total Assets | | 165,551 | 139,708 | 142,891 |
| LIABILITIES | | | | |
| Payables | | | | |
| Suppliers | 2.3A | 6,955 | 2,411 | 3,212 |
| Deferred tax liability | 1.1G | - | - | 955 |
| Other payables | 2.3B | 23,012 | 5,286 | 5,205 |
| Total payables | | 29,967 | 7,697 | 9,372 |
| Interest Bearing Liabilities | | | | |
| Leases | 2.4 | 395 | 519 | 395 |
| Total interest bearing liabilities | | 395 | 519 | 395 |
| Provisions | | | | |
| Employee provisions | 4.2 | 5,465 | 4,910 | 5,130 |
| Provision for restoration | 2.5 | 530 | 431 | 447 |
| Total provisions | | 5,995 | 5,341 | 5,577 |
| Total Liabilities | | 36,357 | 13,557 | 15,344 |
| Net Assets | | 129,194 | 126,151 | 127,547 |
| EQUITY | | | | |
| Contributed equity | | 77,903 | 77,903 | 77,903 |
| Reserves | | 41,329 | 41,453 | 41,446 |
| Retained surplus | | 9,962 | 6,795 | 8,198 |
| Total | | 129,194 | 126,151 | 127,547 |
| Total Equity | | 129,194 | 126,151 | 127,547 |

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

| Explanations of major variances | Line item |
|---|---|
| Financial Assets | |
| Cash at bank at year end was higher than budget due to higher than expected trading activity late in the financial year. | Cash and cash equivalents |
| At the end of 2015-16, cash held in the Official Public Account (OPA) (Receivables) was higher than expected since cash from the sale of 12 million \$2 coins was received in advance, and deposited in the OPA. | Trade and other receivables |
| Non-financial Assets | |
| Acquisitions of leasehold improvements and other property, plant and equipment were deferred due to the recent scoping study into the future of the Mint, meaning that the value of these assets was less than anticipated in the budget. The Mint's priorities have been redirected towards software projects which will enhance future operations. | Leasehold improvements Property, plant and equipment |
| Inventories are slightly higher than budgeted but not significantly so. There was a build up of work-in-progress during June because the organisation put a lot of resources into making Olympics coins, which were completed in June. Once they were finished the Mint started working on other products and on producing circulating coins to meet higher than expected demand. | Inventories |
| Liabilities | |
| The receipt of a high volume of materials in June led to the higher than budgeted level of trade creditors. | Suppliers |
| The increase in Other Payables is almost wholly the result of cash being received in advance for 12 million \$2 Olympics coins, and being recorded as unearned revenue. | Other payables |

ROYAL AUSTRALIAN MINT
Statement of Changes in Equity
for the period ended 30 June 2016

| | Retained earnings | | Asset revaluation reserve | | Buffer stock reserves | | Contributed equity/capital | | Total equity | |
|---|-------------------|----------------|---------------------------|----------------|-----------------------|----------------|----------------------------|----------------|----------------|----------------|
| | 2016 \$'000 | 2015 \$'000 | 2016 \$'000 | 2015 \$'000 | 2016 \$'000 | 2015 \$'000 | 2016 \$'000 | 2015 \$'000 | 2016 \$'000 | 2015 \$'000 |
| Opening balance | 6,795 | 6,029 | 5,598 | 21,446 | 20,000 | 20,000 | 77,903 | 77,903 | 126,151 | 124,947 |
| Balance carried forward from previous period | | | | | | | | | | |
| Comprehensive income | | | | | | | | | | |
| Other comprehensive income | | | | | | | | | | |
| Changes in asset revaluation reserves from revaluation and impairment | | | | (379) | | | | | (84) | (379) |
| Tax effect on revaluation | | | | 386 | | | | | 210 | 386 |
| Surplus/(Loss) for the period | 2,917 | 766 | 2,600 | | | | | | 2,917 | 2,600 |
| Total comprehensive income | 2,917 | 766 | 2,600 | 7 | | | | | 3,043 | 2,600 |
| Other movements | | | | | | | | | | |
| Changes in asset revaluation reserves from asset disposal | 250 | | | (250) | | | | | | |
| Closing balance as at 30 June | 9,962 | 6,795 | 8,198 | 21,453 | 20,000 | 20,000 | 77,903 | 77,903 | 129,194 | 127,547 |

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

Explanations of major variances

Line item

Comprehensive income
Changes in asset revaluation reserves due to revaluation of assets are not budgeted for.

Changes in asset revaluation reserves

Tax effect on revaluation reserves is not budgeted for.

Tax effect on revaluation

ROYAL AUSTRALIAN MINT

Cash Flow Statement

for the period ended 30 June 2016

| | Notes | 2016 \$'000 | 2015 \$'000 | Original Budget \$'000 |
|---|-------|----------------|----------------|------------------------------|
| OPERATING ACTIVITIES | | | | |
| Cash received | | | | |
| Face value - circulating coin | | 140,765 | 106,405 | 113,479 |
| Goods and services | | 78,630 | 49,568 | 42,746 |
| Net GST received | | 3,436 | - | - |
| Other cash received | | 305 | 308 | 300 |
| Total cash received | | 223,136 | 156,281 | 156,525 |
| Cash used | | | | |
| Employees | | 19,498 | 18,638 | 21,027 |
| Suppliers | | 95,264 | 57,803 | 61,900 |
| Payments to Commonwealth - royalties | | 2,138 | 773 | 750 |
| Transfer to the OPA Special Account | | 25,000 | 9,000 | - |
| Payments to Commonwealth - seigniorage | | 78,074 | 63,355 | 66,737 |
| Net GST paid | | - | 2,939 | 2,859 |
| Total cash used | | 219,974 | 152,508 | 153,273 |
| Net cash from operating activities | 3.1 | 3,162 | 3,773 | 3,252 |
| INVESTING ACTIVITIES | | | | |
| Cash received | | | | |
| Proceeds from sales of property, plant and equipment | | 1 | 13 | - |
| Total cash received | | 1 | 13 | - |
| Cash used | | | | |
| Purchase of property, plant and equipment | | 2,060 | 2,871 | 5,148 |
| Costs of selling property, plant and equipment | | - | 31 | - |
| Total cash used | | 2,060 | 2,902 | 5,148 |
| Net cash (used by) investing activities | | (2,059) | (2,889) | (5,148) |
| FINANCING ACTIVITIES | | | | |
| Cash used | | | | |
| Repayment of finance leases | | 124 | 53 | - |
| Total cash used | | 124 | 53 | - |
| Net cash (used by) financing activities | | (124) | (53) | - |
| Net increase/(decrease) in cash held | | 979 | 831 | (1,896) |
| Cash and cash equivalents at the beginning of the reporting period | | 7,402 | 6,571 | 7,012 |
| Cash and cash equivalents at the end of the reporting period | | 8,381 | 7,402 | 5,116 |

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

| Explanations of major variances | Affected line items |
|--|---|
| Operating activities | |
| Cash received | |
| Demand for circulating coins from banks was 24 percent above budget and this is reflected in cash received for face value of circulating coins. | Face value - circulating coins |
| An amount of \$23 million was received in advance from a contract to supply 12 million coins. In addition, an amount of \$8 million was received for investment products as a consequence of improved conditions in this market. | Goods and services |
| Cash used | |
| Employees were awarded a 3 percent pay rise this year but the total employee benefits were still under budget as a result of reduction in FTEs in line with government policy. | Employees |
| High demand for circulating coins and investment products created additional supplier costs for the purchase of metal blanks and bullion. | Supplier expenses |
| Royalties were paid for use of the Queen's head effigy on Olympics coins delivered in June, and on investment products. High sales of each compared to budget meant that higher royalties were paid. | Royalties paid to Commonwealth |
| Cash was received in advance for 12 million \$2 Olympics coins. The money has been moved to the Official Public Account until it is required. | Transfer to the OPA Special Account |
| The 24 percent increase in demand for circulating coins has resulted in an increase in seigniorage paid to the Commonwealth. | Seigniorage paid to Commonwealth |
| Investment activities | |
| Cash used | |
| Acquisitions of leasehold improvements and other property, plant and equipment were deferred due to the recent scoping study into the future of the Mint, so cash expenditure was less than budgeted. | Purchase of property, plant and equipment |

Administered Schedule of Comprehensive Income for the period ended 30 June 2016

| | 2016 \$'000 | 2015 \$'000 | Original Budget \$'000 |
|---|----------------|----------------|------------------------------|
| NET COST OF SERVICES | | | |
| Expenses | | | |
| Other Expenses - manufacturing, selling and distribution expenses | 52,308 | 38,191 | 46,742 |
| Total expenses administered on behalf of Government | 52,308 | 38,191 | 46,742 |
| Income | | | |
| Revenue | | | |
| Non-taxation revenue | | | |
| Other Revenue - Sales of Circulating Coin | 140,765 | 106,405 | 113,479 |
| Total own-source income administered on behalf of Government | 140,765 | 106,405 | 113,479 |
| Net contribution by services | 88,457 | 68,214 | 66,737 |
| Surplus¹ | 88,457 | 68,214 | 66,737 |

¹Total comprehensive income is equal to the surplus as there have been no movements in other comprehensive income.
The above statement should be read in conjunction with the accompanying notes.

Accounting Policy

Revenue

All administered revenues are revenues relating to the course of ordinary activities performed by the Mint on behalf of the Australian Government. All Administered revenue relates to Seigniorage (refer to Overview).

Explanations of Administered Major Budget Variances for 2016

| Explanations of major variances | Affected line items (and statement) |
|---|-------------------------------------|
| Schedule of Comprehensive Income | |
| Demand for circulating coins from banks was 24 percent higher than the budget. | Revenue |
| Consequently, the cost of producing the greater number of circulating coins was similarly higher than budget. | Expenses |

Administered Schedule of Assets and Liabilities
for the period ended 30 June 2016

| | 2016 | 2015 | Original Budget |
|---|---------------|---------------|--------------------|
| | \$'000 | \$'000 | \$'000 |
| ASSETS | | | |
| Financial assets | | | |
| Receivables - Seigniorage | 3,943 | - | - |
| Total financial assets | 3,943 | - | - |
| Non-financial assets | | | |
| Inventory | 8,680 | 13,515 | 12,723 |
| Total non-financial assets | 8,680 | 13,515 | 12,723 |
| Total assets administered on behalf of Government | 12,623 | 13,515 | 12,723 |
| LIABILITIES | | | |
| Payables | | | |
| Other Payables - Seigniorage | - | 6,134 | 7,227 |
| Total payables | - | 6,134 | 7,227 |
| Total liabilities administered on behalf of Government | - | 6,134 | 7,227 |
| Net assets | 12,623 | 7,381 | 5,496 |

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

Administered Reconciliation Schedule

| | 2016 | 2015 | Original Budget |
|--|---------------|--------------|--------------------|
| | \$'000 | \$'000 | \$'000 |
| Opening administered assets less administered liabilities as at 1 July | 7,381 | 3,957 | 5,496 |
| Plus: Administered income | 140,765 | 106,405 | 113,479 |
| Less: Administered expenses | (52,308) | (38,191) | (46,742) |
| Administered transfers to/from Australian Government: | | | |
| Transfers to OPA | (83,215) | (64,790) | (66,737) |
| Closing administered assets less administered liabilities as at 30 June | 12,623 | 7,381 | 5,496 |

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

Explanations of Administered Major Budget Variances for 2016

| Explanations of major variances | Affected line items (and statement) |
|---|---|
| Schedule of Assets and Liabilities | |
| Strong sales of circulating coins in the June quarter meant the revenue from sales of coins exceeded the cost of acquiring inventory. Thus, seigniorage switched from being a payable (when the cost of producing circulating coins for future needs exceeds demand for coins in that quarter) to being a receivable. | Other Payables - Seigniorage Receivables - Seigniorage |
| To meet the strong demand for circulating coins, inventory on hand was run down, while carefully maintaining an adequate level in reserve. | Inventory |

Administered Cash Flow Statement
for the period ended 30 June 2016

| | Notes | 2016 | 2015 | Original Budget |
|---|-------|-----------------|-----------------|--------------------|
| | | \$'000 | \$'000 | \$'000 |
| OPERATING ACTIVITIES | | | | |
| Cash received | | | | |
| Other - Seigniorage | | 83,215 | 64,790 | 66,737 |
| Total cash received | | 83,215 | 64,790 | 66,737 |
| Net cash from operating activities | | 83,215 | 64,790 | 66,737 |
| Net Increase in Cash Held | 6.1 | 83,215 | 64,790 | 66,737 |
| Cash and cash equivalents at the beginning of the reporting period | | - | - | - |
| Cash to Official Public Account for: | | | | |
| - Special accounts - Seigniorage | | (83,215) | (64,790) | (66,737) |
| | | (83,215) | (64,790) | (66,737) |
| Cash and cash equivalents at the end of the reporting period | | - | - | - |

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

Accounting Policy
Administered Cash Transfers to and from the Official Public Account

Revenue collected by the Mint for use by the Government rather than the Mint is administered revenue. Collections are transferred to the Official Public Account (OPA) maintained by the Department of Finance. Conversely, cash is drawn from the OPA to make payments under Parliamentary appropriation on behalf of Government. These transfers to and from the OPA are adjustments to the administered cash held by the Mint on behalf of the Government and reported as such in the Administered Cash Flow Statement and in the Administered Reconciliation Schedule.

Explanations of Administered Major Budget Variances for 2016

| Explanations of major variances | Affected line items (and statement) |
|---|--------------------------------------|
| Cash Flow Statement | |
| The cash received for sales of circulating coins (the difference between the face value and the production cost) was commensurately greater than that expected in the budget. | Cash Received |
| This increased cash received is paid into the Official Public Account as soon as it is received. | Cash Paid to Official Public Account |

Overview

Objectives of the Mint

The Royal Australian Mint (the Mint) is a non-corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013*. The objective of the Mint is to produce and distribute circulating coins, collector coins and minted like products to meet the demands of the Australian economy, collectors and foreign countries. The Mint's collector coin and minted non-coin business is a commercial activity within Government-set parameters.

The Mint is structured to meet one outcome:

Outcome 1: The coinage needs of the Australian economy, collectors and foreign countries are met through the manufacture and sale of circulating coins, collector coins and other minted like products.

The Mint's activities contributing toward this objective are classified as either departmental or administered. Departmental activities involve the use of assets, liabilities, revenues and expenses controlled or incurred by the Mint in its own right. Administered activities involve the management by the Mint, on behalf of the Government, of the sale of circulating coin and repatriating funds to the Commonwealth through the Seigniorage process.

Seigniorage and repurchase of circulating coin

Seigniorage is collected by the Mint on behalf of the Commonwealth. Seigniorage represents the difference between the face value of coinage sold to the banks and its cost of production to the Mint plus associated selling and distribution expenses and any additional allowances for unavoidable costs and/or surplus agreed by the Department of the Treasury (i.e. the transfer price).

The Mint repurchases mutilated and withdrawn 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 Commonwealth's Official Public Account (refer to Administered Cash Flow Statement).

The net 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.

The continued existence of the Mint in its present form and with its present program is dependent on Government policy and continuing funding by Parliament for the Mint's administration and program.

Basis of Preparation of the Financial Statements

The financial statements are general purpose financial statements and are required by section 42 of the *Public Governance, Performance and Accountability Act 2013*.

The financial statements have been prepared in accordance with:

1. *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR) for reporting periods ending on or after 1 July 2015; and
2. Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

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

The financial statements are presented in Australian dollars and values are rounded to the nearest thousand dollars unless otherwise specified.

Overview

New Accounting Standards

Adoption of New Australian Accounting Standard Requirements

No accounting standard has been adopted earlier than the application date stated in the Standard.

No material changes were made to amounts recorded in the financial statements as a result of the introduction of new standards. All other new/revised/amending standards and/or interpretations that were issued prior to the sign-off date and are applicable to the current reporting period did not have a material effect, and are not expected to have a future material effect, on the Mint's financial statements.

Where necessary, comparatives have been reclassified and repositioned for consistency with current year disclosures.

Future Australian Accounting Standard Requirements

The following list of significant new/revised/amending standards and/or interpretations were issued by the Australian Accounting Standards Board prior to the signing of the statement by the Accountable Authority and Chief Financial Officer. The Mint is yet to perform an assessment of the likely financial impact of these standards.

| Standard/ Interpretation | Application date for the entity ¹ | Nature of impending change/s in accounting policy |
|--|---|---|
| AASB 9 Financial Instruments | 1 July 2018 | Changes to requirements for classification and measurement of financial assets and financial liabilities to improve and simplify the treatment against AASB 139. |
| AASB 15 Revenue from Contracts with customers | 1 July 2018 | This standard establishes principles for reporting information about the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers and will apply to contracts that are exchange transactions. |
| AASB 16 Leases | 1 July 2019 | Almost all leases will be recognised as assets and liabilities, except for low value assets and lease terms of under 12 months. |

All other new/revised/amending standards and/or interpretations that were issued prior to the sign-off date and are applicable to future reporting periods are not expected to have a future material effect on the Mint's financial statements.

Reporting of Administered Activities

Administered revenues, expenses, assets, liabilities and cash flows are disclosed in the Schedule of Administered Schedule of Comprehensive Income, Administered Schedule of Assets and Liabilities, and related notes. Except where otherwise stated below, administered items are accounted for on the same basis and using the same policies as for departmental items, including the application of Australian Accounting Standards.

Events after the reporting period

Departmental

No events which have a material impact on the financial statements occurred after the reporting period.

Administered

No events which have a material impact on the financial statements occurred after the reporting period.

¹ The Mint's expected initial application date is when the accounting standard becomes operative at the beginning of the Mint's reporting period.

1.1: Expenses

| | 2016 | 2015 |
|--------------------------------------|---------------|---------------|
| | \$'000 | \$'000 |
| 1.1A: Employee Benefits | | |
| Wages and salaries | 14,998 | 14,355 |
| Superannuation: | | |
| Defined contribution plans | 1,289 | 1,251 |
| Defined benefit plans | 1,305 | 1,170 |
| Leave and other entitlements | 1,797 | 1,421 |
| Separation and redundancies | 77 | 273 |
| Payroll tax (competitive neutrality) | 651 | 570 |
| Total employee benefits | 20,117 | 19,040 |

Accounting Policy

Accounting policies for employee related expenses can be found in Note 4.2 Employee Provisions.

1.1B: Suppliers**Goods and services supplied or rendered**

| | | |
|--|---------------|---------------|
| Cost of goods sold | 53,610 | 40,670 |
| Administration & management | 4,682 | 3,838 |
| Interest compensation expense | 2,738 | 3,399 |
| Selling & distribution | 4,112 | 4,058 |
| Facilities service & maintenance | 2,728 | 2,417 |
| Other | 1,292 | 324 |
| Total goods and services supplied or rendered | 69,162 | 54,706 |

Goods and Services are made up of:

| | | |
|--|---------------|---------------|
| Goods supplied | 56,348 | 42,841 |
| Services rendered | 12,814 | 11,865 |
| Total goods and services supplied or rendered | 69,162 | 54,706 |

Other suppliers

| | | |
|-------------------------------|---------------|---------------|
| Operating lease rentals | | |
| Minimum lease payments | 2,213 | 2,131 |
| Workers compensation expenses | 201 | 170 |
| Total other suppliers | 2,414 | 2,301 |
| Total suppliers | 71,576 | 57,007 |

Leasing commitments

The Mint has a Memorandum of Understanding relating to the lease of the Mint premises with the Department of Finance effective March 2009. The term of the lease is 20 years, with lease payments subject to an annual increase of 3 percent and a rental review to market every fifth anniversary.

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

| | | |
|-----------------------|---------------|---------------|
| Within 1 year | 2,518 | 2,458 |
| Between 1 and 5 years | 10,328 | 10,160 |
| More than 5 years | 22,837 | 25,489 |
| | 35,683 | 38,107 |

1.1: Expenses

| | 2016 | 2015 |
|----------------------------|-----------|-----------|
| | \$'000 | \$'000 |
| 1.1C: Finance Costs | | |
| Finance leases | 38 | 48 |
| Unwinding of discount | 16 | 15 |
| Total finance costs | 54 | 63 |

Accounting Policy

All borrowing costs are expensed as incurred.

1.1D: Write-Down & Impairment of Assets**Asset write-downs and impairments**

| | | |
|---|--------------|------------|
| Impairment of financial instruments | - | 61 |
| Carrying value of inventory written down | 3,592 | 1,404 |
| Less: Recoverable value of inventory written down | (1,832) | (649) |
| Revaluation decrement for leasehold improvements | 488 | - |
| Total write-down and impairment of assets | 2,248 | 816 |

1.1E: Royalties

| | | |
|-----------------------------------|--------------|--------------|
| Royalties - Australian Government | 1,881 | 995 |
| Royalties - Other | 1,484 | 211 |
| Total royalties | 3,365 | 1,206 |

1.1F: Foreign Exchange Losses

| | | |
|--------------------------------------|-----------|-----------|
| Non-Speculative | 67 | 54 |
| Total foreign exchange losses | 67 | 54 |

Accounting Policy

Transactions denominated in foreign currencies are translated at the foreign exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance date are translated to Australian dollars at the foreign exchange rate at that date. Foreign exchange differences arising on translations are recognised in the Statement of Comprehensive Income. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the start of the period, adjusted for effective interest and payments during the period, and the amortised cost in the foreign currency translated at the exchange rate at the end of the period. Foreign currency gains and losses are reported on a net basis.

1.1: Expenses

| | | |
|--|--------|--------|
| | 2016 | 2015 |
| | \$'000 | \$'000 |

1.1G: Income Tax Expense (Competitive Neutrality)**Income tax expense**

A reconciliation of income tax applicable to accounting profit before income tax at the statutory income tax rate to income tax expense at the Mint's effective income tax rate for the year ended 30 June 2016 and 2015 is as follows:

| | | |
|--|------------|------------|
| Profit/(loss) before Income Tax Expense relating to contestable activities | 1,667 | (684) |
| At the statutory tax rate of 30% (2015: 30%) | 500 | (205) |
| Relating to change in allocation rate in contestable activities from prior years | (231) | 152 |
| Less tax on R&D incentive | - | (82) |
| Add tax effect amounts which are not taxable in calculating taxable income | 349 | 352 |
| Income tax expense reported in the Statement of Comprehensive Income | 618 | 217 |

Deferred income tax :

| | | |
|--|------------|------------|
| Relating to origination and reversal of timing differences | 849 | 65 |
| Relating to change in allocation rate in contestable activities from prior years | (231) | 152 |
| Income tax (benefit)/expense | 618 | 217 |

Statement of Changes in Equity

| | | |
|--|---------------|---------------|
| Plant and Equipment - revaluation | (210) | (386) |
| Income tax (benefit) reported in equity | (210) | (386) |

| | Statement of Financial Position | | Statement of Comprehensive Income | |
|--|------------------------------------|--------|--------------------------------------|--------|
| | 2016 | 2015 | 2016 | 2015 |
| | \$'000 | \$'000 | \$'000 | \$'000 |

Deferred income tax at 30 June relates to the following

Deferred income tax at 30 June relates to the following:

Deferred income tax liabilities

| | | | | |
|--|------------|------------|-------|-------|
| Interest receivable | - | 59 | (59) | (26) |
| Capitalised R&D | 133 | - | 133 | - |
| Plant and Equipment - revaluation | 210 | 420 | - | - |
| Gross deferred income tax liabilities | 343 | 479 | | |

Deferred income tax assets

| | | | | |
|---|--------------|--------------|--------|--------|
| Provision for employee entitlements | 1,100 | 840 | (260) | 177 |
| Provision for performance bonus | 45 | - | (45) | - |
| Provision for payroll tax | 195 | - | (195) | - |
| Plant and equipment (impairment) | 18 | 18 | - | - |
| Other - superannuation accrual | - | 12 | 12 | 1 |
| Income tax losses | - | 887 | 887 | 397 |
| Makegood Provision Increase (P&L only) | 6 | 4 | (2) | (2) |
| Non-refundable R&D offset | 183 | 330 | 147 | (330) |
| Gross deferred income tax assets | 1,547 | 2,091 | | |

Net deferred income tax assets

| | | |
|--|-------|-------|
| | 1,204 | 1,612 |
|--|-------|-------|

| | | |
|---|------------|------------|
| Income tax expense reported in the Statement of Comprehensive Income | 618 | 217 |
|---|------------|------------|

1.1: Expenses**Accounting Policy****Taxation**

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

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included in other receivables or other payables in the Statement of Financial Position.

Cash flows and commitments are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the ATO, are presented as operating cash flows.

Competitive Neutrality

The Mint sells collector coins and minted non-coin products on a for-profit basis. Under Competitive Neutrality arrangements, the Mint is required to make Australian Income Tax and ACT Payroll Tax Equivalent payments to the Government, in addition to payments for FBT and GST. Notional interest calculation for purposes of competitive neutrality is based on the current 10 year market bond rate.

The income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the company tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements and to unused tax losses.

Accounting Judgements and Estimates**Recovery of deferred tax assets**

Deferred tax assets are recognised for deductible temporary differences only if the Mint considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

1.2: Own Source Revenue and Gains

| | 2016 | 2015 |
|--|-----------------------|----------------------|
| | \$'000 | \$'000 |
| Own-Source Revenue | | |
| 1.2A: Sale of Goods and Rendering of Services | | |
| Goods | | |
| Australian Circulating Coin Sales | 47,472 | 38,983 |
| Numismatic Coin Sales | 29,138 | 28,623 |
| Foreign Circulating Coin Sales | 23,769 | 6,266 |
| Other Sales Non Coin Product | 3,895 | 6,982 |
| | <u>104,274</u> | <u>80,854</u> |
| Services | | |
| Circulating Coin Supply Chain Management | 250 | 250 |
| Interest Compensation Revenue | - | 1,654 |
| Other Sales Services | 159 | - |
| | <u>409</u> | <u>1,904</u> |
| Total sale of goods and rendering of services | <u>104,683</u> | <u>82,758</u> |

Accounting PolicyRevenue from Production of Circulating Coin

The Mint derives circulating coin revenue through retention of a Government approved transfer price from sale of circulating coin to the commercial banks.

Goods & Services and Other Types of Revenue

Revenue from the sale of goods is recognised when:

- the risks and rewards of ownership have been transferred to the buyer;
- the Mint retains no managerial involvement or effective control over the goods;
- the revenue and transaction costs incurred can be reliably measured; and
- it is probable that the economic benefits associated with the transaction will flow to the Mint.

Interest Revenue

Interest revenue is recognised as interest accrues using the effective interest rate method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset. The interest recognised in the financial statements is adjusted against payments made under competitive neutrality arrangements.

Coin Supply Chain and Interest Compensation Revenue

Effective from 1 December 2011, the Mint and participating commercial banks entered into a Coin Supply Chain Management Agreement. Under this agreement, the Mint assumes responsibility for the interest compensation expense on commercial bank coin holdings and receives an equivalent offsetting revenue from the Reserve Bank of Australia (RBA). From 31 December 2014, the RBA ceased reimbursing the Mint for the interest compensation payments made. In addition, commercial banks contribute towards the costs incurred by the Mint in managing and administering the Coin Supply Chain Model.

1.2: Own Source Revenue and Gains

| | 2016 | 2015 |
|--|-------------------|-------------------|
| | \$'000 | \$'000 |
| 1.2B: Other Revenue | | |
| Other revenue | 19 | - |
| Resources received free of charge - remuneration of auditors | 174 | 159 |
| Total other revenue | <u>193</u> | <u>159</u> |
| Gains | | |
| 1.2C: Other Gains | | |
| Resources received free of charge - Inventory | - | 4 |
| Total other gains | <u>-</u> | <u>4</u> |

Accounting PolicyResources Received Free of Charge

Resources received free of charge are recorded as either revenue or gain depending on their nature. Resources received free of charge are recognised as revenue or gains 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.

Contributions of assets at no cost of acquisition or for nominal consideration are recognised as gains at their fair value when the asset qualifies for recognition, unless received from another Government agency or authority as a consequence of a restructuring of administrative arrangements.

2.1: Financial Assets

| | 2016 | 2015 |
|--|--------------|--------------|
| | \$'000 | \$'000 |
| 2.1A: Cash and Cash Equivalents | | |
| Cash and cash equivalents | 8,381 | 7,402 |
| Total cash and cash equivalents | 8,381 | 7,402 |

Accounting PolicyCash

Cash and cash equivalents includes cash on hand, deposits held at bank accounts with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value. Cash is recognised at its nominal amount.

2.1B: Trade and Other Receivables**Good and Services receivables in connection with:**

| | | |
|---|--------------|--------------|
| Goods and services | 3,936 | 4,654 |
| Total receivables for goods and services | 3,936 | 4,654 |

Special Account cash held at the OPA

| | |
|---------------|---------------|
| 42,000 | 17,000 |
| 42,000 | 17,000 |

Per government policy, the Mint retains working capital in its cash at bank, with the remaining cash available for use in a Special Account held in the Official Public Account. These monies are readily available to the Mint for its ongoing operations.

Other receivables:

| | | |
|--|---------------|---------------|
| GST receivable from the Australian Taxation Office | - | 366 |
| Interest equivalent neutrality | - | 198 |
| Seigniorage receivable from the OPA | - | 6,878 |
| Total other receivables | - | 7,442 |
| Total trade and other receivables (gross) | 45,936 | 29,096 |

Less impairment allowance account:

| | | |
|---|---------------|---------------|
| Goods and services | (36) | (30) |
| Total impairment allowance account | (36) | (30) |
| Total trade and other receivables | 45,900 | 29,066 |

Receivables are expected to be recovered in:

| | | |
|--|---------------|---------------|
| No more than 12 months | 45,900 | 29,057 |
| More than 12 months | - | 9 |
| Total trade and other receivables (net) | 45,900 | 29,066 |

Receivables are aged as follows:

| | | |
|----------------------------------|---------------|---------------|
| Not overdue | 42,368 | 26,247 |
| Overdue by: | | |
| 0 to 30 days | 1,318 | 659 |
| 31 to 60 days | 110 | 1,039 |
| 61 to 90 days | 761 | 229 |
| More than 90 days | 1,379 | 922 |
| Total receivables (gross) | 45,936 | 29,096 |

2.1: Financial Assets

| | 2016 | 2015 |
|--|-------------|-------------|
| | \$'000 | \$'000 |
| Impairment allowance aged as follows: | | |
| Overdue by - More than 90 days | (36) | (30) |
| Total impairment allowance account | (36) | (30) |

Reconciliation of the Impairment Allowance Account:

| | | |
|---|-------------|-------------|
| Opening balance | (30) | - |
| Amounts recovered and/or reversed | 30 | - |
| Increase recognised in net cost of services | (36) | (30) |
| Closing balance | (36) | (30) |

Accounting Policy

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

Effective Interest Method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

Income is recognised on an effective interest rate basis except for financial assets that are recognised at fair value through profit or loss.

Loans and Receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate. Trade Receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an on-going basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. Other receivables are recognised at amortised cost, less any provision for impairment.

Impairment of Financial Assets

Financial assets are assessed for impairment at end of each reporting period. A provision for impairment of trade receivables is raised where there is objective evidence that the Mint will not be able to collect all amounts due.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost, the reversal is recognised in the Statement of Comprehensive Income.

Accounting Judgements and EstimatesProvision for impairment of receivables

The provision for impairment of receivables assessment requires a degree of estimation and judgement. The level of provision is assessed by taking into account the recent sales experience, ageing of receivables, historical collection rates and specific knowledge of the individual debtor's financial position.

2.2: Non-Financial Assets**2.2A: Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment, and Intangibles****Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment, and Intangibles 2016**

| | Leasehold Improvements \$'000 | Other property, plant & equipment \$'000 | Heritage and cultural \$'000 | Computer Software \$'000 | Total \$'000 |
|---|-------------------------------------|---|------------------------------------|--------------------------------|-----------------|
| As at 1 July 2015 | | | | | |
| Gross book value | 27,391 | 22,879 | 21,243 | 5,561 | 77,074 |
| Accumulated depreciation and impairment | (3,488) | (4,887) | - | (4,520) | (12,895) |
| Net book value 1 July 2015 | 23,903 | 17,992 | 21,243 | 1,041 | 64,179 |
| Additions: | | | | | |
| By purchase | 274 | 1,285 | - | 545 | 2,104 |
| By finance lease | - | - | - | - | - |
| At cost - transfer from inventory | - | - | 519 | - | 519 |
| Revaluation recognised in Net Cost of Services ¹ | (488) | - | - | - | (488) |
| Revaluation recognised in Other Comprehensive Income ¹ | - | 94 | (178) | - | (84) |
| Depreciation expense ² | (1,787) | (2,441) | - | (271) | (4,499) |
| Disposals | (87) | (34) | - | (19) | (140) |
| Net book value 30 June 2016 | 21,815 | 16,896 | 21,584 | 1,296 | 61,591 |
| Net book value as of 30 June 2016 represented by: | | | | | |
| Gross book value | 21,815 | 16,896 | 21,584 | 6,071 | 66,366 |
| Accumulated depreciation & impairment losses | - | - | - | (4,775) | (4,775) |
| Net book value 30 June 2016 | 21,815 | 16,896 | 21,584 | 1,296 | 61,591 |

¹ Per the Mint's revaluation policy,

- heritage and cultural assets were valued by an independent appraiser as at 30 June 2016 (RHAS) (2015: RHAS). The revaluation decreased the fair value by \$0.178 million (2015: \$0.346 million decrement) with an equivalent impact on equity revaluation reserve for 2016.

- leasehold improvements and other property, plant and equipment were last revalued at 30 June 2016 by an independent valuer, Australian Valuation Services. The revaluation decreased the fair value of leasehold improvements by \$0.488m, while other property, plant and equipment increased in value by \$0.094m (2015: Nil).

² Depreciation expenses for finance leases were included in the line 'Property, plant and equipment' above. Depreciation on equipment under finance lease arrangements was \$0.135m (2015: \$0.135m).

No indicators of impairment were found for property, plant and equipment; and no property, plant and equipment is expected to be sold or disposed of within the next 12 months.

2.2: Non-Financial Assets**Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment, and Intangibles 2015**

| | Leasehold Improvements \$'000 | Other property, plant & equipment \$'000 | Heritage and cultural ² \$'000 | Computer Software \$'000 | Total \$'000 |
|---|-------------------------------------|--|---|--------------------------------|-----------------|
| As at 1 July 2014 | | | | | |
| Gross book value | 27,304 | 21,186 | 21,148 | 4,774 | 74,412 |
| Accumulated depreciation and impairment | (1,743) | (2,395) | - | (4,240) | (8,378) |
| Net book value 1 July 2014 | 25,561 | 18,791 | 21,148 | 534 | 66,034 |
| Additions: | | | | | |
| By purchase | 260 | 1,627 | - | 724 | 2,611 |
| At cost - transfer from inventory | - | - | 441 | - | 441 |
| Revaluation recognised in Other Comprehensive Income ¹ | - | - | (346) | - | (346) |
| Transfer of Assets | (173) | 110 | - | 63 | - |
| Depreciation expense ² | (1,745) | (2,515) | - | (280) | (4,540) |
| Disposals | - | (21) | - | - | (21) |
| Net book value 30 June 2015 | 23,903 | 17,992 | 21,243 | 1,041 | 64,179 |
| Net book value as of 30 June 2015 represented by: | | | | | |
| Gross book value | 27,391 | 22,879 | 21,243 | 5,561 | 77,074 |
| Accumulated depreciation & impairment losses | (3,488) | (4,887) | - | (4,520) | (12,895) |
| Net book value 30 June 2015 | 23,903 | 17,992 | 21,243 | 1,041 | 64,179 |

2.2: Non-Financial Assets

Accounting Policy

Acquisition of assets

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

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

Asset Recognition Threshold

Purchases of property, plant and equipment are recognised initially at cost in the Statement of Financial Position, except for purchases costing less than \$5,000 (2015: \$5,000), 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).

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to 'make good' provisions in property leases taken up by the Mint where there exists an obligation to restore the property to its original condition. If applicable, these costs are included in the value of the Mint's leasehold improvements with a corresponding provision for the 'make good' recognised.

Revaluations

Fair values for each class of asset are determined as shown below:

| <u>Asset Class</u> | <u>Fair Value measured at</u> |
|-------------------------------|-------------------------------|
| Leasehold improvements | Depreciated replacement cost |
| Property, plant and equipment | Depreciated replacement cost |
| Heritage and cultural | Market selling price |

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

Generally, the Mint obtains third party independent valuations on a cyclical basis as follows:

- leasehold improvements and property, plant and equipment: every 3 years (2013, 2016, 2019); and
- heritage and cultural assets: each year

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reverses a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the surplus/deficit except to the extent that they reverse a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset restated to the revalued amount.

Depreciation

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

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

2.2: Non-Financial Assets

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

| <u>Asset Class</u> | <u>2016</u> | <u>2015</u> |
|--------------------------|---------------|---------------|
| Leasehold improvements | Life of lease | Life of lease |
| PP&E - Office equipment | 2-5 years | 2-5 years |
| PP&E - Factory machinery | 10-20 years | 10-20 years |

Impairment

All assets were assessed for impairment at 30 June 2016 (2015: all assets were assessed for impairment). Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

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

Derecognition

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

Heritage and Cultural Assets

The Mint holds the following heritage and cultural assets:

- National Coin Collection which comprises coins. As there is an active market for these coins, the National Coin Collection is subject to revaluation by independent valuers to ensure that they remain at a fair value; and
- Other collectable items which includes associated minting products. These items are held at fair value and are subject to revaluation by independent valuers in line with Mint policy.

These assets are classified as heritage and cultural assets as they are Sovereign assets and are primarily retained for purposes that relate to their cultural significance. The Mint has adopted appropriate curatorial and preservation policies for these assets and they are deemed to have indefinite useful lives and hence are not depreciated. The Mint's curatorial and preservation policies are publicly available at: <https://www.ramint.gov.au/national-coin-collection-preservation>.

Intangible software assets

The Mint's intangibles comprise purchased and internally developed software for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Software is amortised on a straight-line basis over its anticipated useful life. The useful lives of the Mint's software are from 2 to 5 years (2015: 2 to 5 years).

All software assets were assessed for indications of impairment as at 30 June 2016 and 30 June 2015.

Accounting Judgements and Estimates

Fair value of non-financial assets

The fair value of the National Coin Collection and Property, Plant & Equipment has been taken to be the market value of similar items as determined by an independent valuer. Due to the nature of these items, they may in fact realise more or less in the market.

Estimation of useful lives of assets

The Mint determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life of intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, and technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

2.2: Non-Financial Assets

| | 2016 | 2015 |
|--|---------------|---------------|
| | \$'000 | \$'000 |
| 2.2B: Inventories | | |
| Inventories held for sale: | | |
| Raw materials | | |
| Australian Circulating Coin | 10,213 | 9,815 |
| Numismatic Coin | 15,313 | 12,104 |
| Foreign Circulating Coin | 15 | - |
| Tooling & Consumables | 7,668 | 6,955 |
| | <u>33,209</u> | <u>28,874</u> |
| Work in progress | | |
| Australian Circulating Coin | 4,010 | 134 |
| Numismatic Coin | 4,077 | 1,607 |
| Foreign Circulating Coin | 651 | - |
| Other | - | 492 |
| | <u>8,738</u> | <u>2,233</u> |
| Finished goods | | |
| Numismatic Coin | 2,495 | 3,895 |
| Foreign Circulating Coin | 1,786 | 1,201 |
| | <u>4,281</u> | <u>5,096</u> |
| Total inventories held for sale | <u>46,228</u> | <u>36,203</u> |
| Total inventories | <u>46,228</u> | <u>36,203</u> |

In 2016 inventory to the value of \$1.760m was written off (2015: \$0.755m).

During 2016, \$52.995m of inventory held for sale was recognised as an expense (2015: \$47.462m).

All inventory is expected to be sold or distributed in the next 12 months.

Accounting Policy

Inventories held for sale are valued at the lower of cost and net realisable value. Costs incurred in bringing each item of inventory to its present location and condition are assigned as follows:

- Costs of Purchase - purchase price and other costs directly attributable to the acquisition of raw materials;
- Costs of Conversion - direct labour and production costs incurred in converting materials into finished goods; and
- Recognition as an Expense - the inventory carrying amount is recognised as an expense in the period in which the related revenue is recognised.

Accounting Judgements and Estimates*Valuation of inventory and allocation of labour and production costs*

The **technique** for inventory cost measurement is the standard method.

The **cost formula** for inventory cost calculation is the weighted average with the standard re-calculated annually from 1 July to 31 December and the average re-calculated with each shipment or production activity from 1 January to 30 June.

The rates used to attribute conversion costs (labour and production) are determined by reference to management budgeted estimates of costs and normal production levels for the year. These rates are the basis for capitalising the added value to inventory.

Net realisable value of inventory

The Mint has written down a portion of finished goods inventory to its expected net realisable value during the year. The net realisable value represents the expected recovery of the value of the metal if unsold coins are expected to be scrapped, less the costs the Mint expects to incur in realising this value. The actual value recovered may differ from the amount estimated in these financial statements due to changes in metal prices, or if the costs of scrapping are different to management's expectations.

2.2: Non-Financial Assets

| | 2016 | 2015 |
|---|--------------|--------------|
| | \$'000 | \$'000 |
| 2.2C: Prepayments | | |
| Prepayments are expected to be recovered in: | | |
| No more than 12 months | 2,226 | 1,146 |
| More than 12 months | 21 | 100 |
| Total prepayments | <u>2,247</u> | <u>1,246</u> |

No indicators of impairment were found for prepayments.

2.3: Payables

| | 2016 | 2015 |
|------------------------------|--------------|--------------|
| | \$'000 | \$'000 |
| 2.3A: Suppliers | | |
| Trade creditors and accruals | 6,761 | 2,265 |
| Operating lease rentals | 194 | 146 |
| Total suppliers | 6,955 | 2,411 |

Settlement is usually made within 30 days.

2.3B: Other Payables

| | | |
|--------------------------------|---------------|--------------|
| Salaries and wages | 76 | 595 |
| Superannuation | 11 | 80 |
| Seigniorage payable to the OPA | 3,577 | - |
| Unearned income ¹ | 17,170 | 4,610 |
| GST payable | 2,146 | - |
| Other | 32 | 1 |
| Total other payables | 23,012 | 5,286 |

All other payables are expected to be settled within 12 months.

¹ Unearned Income comprises largely of cash received in advance from Woolworths for the Olympics coin program (\$15.7 million).

Accounting Policy

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

Financial Liabilities at Fair Value through Profit or Loss

Financial liabilities at fair value through profit or loss are initially measured at fair value. Subsequent fair value adjustments are recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

Other Financial Liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

Trade and other payables

These amounts represent liabilities for goods and services provided to the Mint prior to the end of the financial year and which are unpaid, and customer deposits lodged in advance of allocation to future purchases. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Superannuation

Superannuation payable represents the period between the final payday for the financial year, and the last working day of the financial year. Accounting policies for employee related expenses can be found in Note 4.2 Employee Provisions.

2.4: Interest Bearing Liabilities

| | 2016 | 2015 |
|-----------------------------|------------|------------|
| | \$'000 | \$'000 |
| 2.4: Leases | | |
| Finance leases | 395 | 519 |
| Total finance leases | 395 | 519 |

Finance Leases expected to be settled

Within one year:

| | | |
|--------------------------------|------|------|
| Minimum lease payments | 162 | 162 |
| Deduct: future finance charges | (28) | (38) |

In one to five years:

| | | |
|--------------------------------|------|------|
| Minimum lease payments | 283 | 445 |
| Deduct: future finance charges | (22) | (50) |

| | | |
|---------------------|------------|------------|
| Total leases | 395 | 519 |
|---------------------|------------|------------|

Finance leases exist for data storage equipment. The equipment lease is non-cancellable, with fixed terms of 60 months; no residual value and average implicit interest rate of 8.2 percent. (2015: Finance leases exist for data storage equipment. The lease is non-cancellable with fixed terms of 60 months; no residual value and has an average implicit interest rate of 8.2 percent.) The leased assets secure the lease liabilities. The Mint guarantees the residual value of the assets leased. There are no contingent rentals.

Accounting Policy**Leases**

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

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

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

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

2.5: Provisions

| | 2016 | 2015 |
|--|------------|------------|
| | \$'000 | \$'000 |
| 2.5: Provision for Restoration | | |
| Movements in Provision for Restoration | | |
| As at 1 July | 431 | 416 |
| Additional provisions made | 83 | - |
| Unwinding of discount or change in discount rate | 16 | 15 |
| Total as at 30 June | 530 | 431 |

The Mint currently has a Memorandum of Understanding with the Department of Finance for the lease of the Mint premises which has a clause requiring the Mint to restore the premises to their original condition at the conclusion of the leases. The Mint has made a provision to reflect the present value of this obligation.

The provision for restoration is expected to be settled in more than 12 months.

3.1: Cash Flow Reconciliation

| | 2016 | 2015 |
|--|--------------|--------------|
| | \$'000 | \$'000 |
| Reconciliation of net cost of services to net cash from operating activities: | | |
| Net contribution by services | 3,535 | 983 |
| Less income tax (expense) | (618) | (217) |
| Adjustments for non-cash items | | |
| Depreciation / amortisation | 4,499 | 4,540 |
| Net write down of non-financial assets | 2,248 | 755 |
| Write-down and impairment of financial assets | - | 61 |
| Inventory received free of charge | - | (4) |
| Resources received free of charge | (174) | (159) |
| Non-cash finance charges | 16 | 15 |
| Loss / (Gain) on disposal of assets | 140 | 22 |
| Movements in assets and liabilities | | |
| Income tax expense recognised in equity | 210 | 386 |
| Assets | | |
| (Increase) / decrease in Receivables from OPA | (25,000) | (9,000) |
| (Increase) / decrease in net receivables | 724 | (2,191) |
| (Increase) / decrease in interest equivalent receivable | 198 | 87 |
| (Increase) / decrease in Seigniorage receivable | 6,878 | 543 |
| (Increase) / decrease in GST receivable | 2,512 | (285) |
| (Increase) / decrease in inventories | (11,786) | 6,251 |
| (Increase) / decrease in prepayments | (1,001) | 834 |
| (Increase) / decrease in deferred tax assets | 408 | (170) |
| Liabilities | | |
| Increase / (decrease) in employee provisions | 555 | (209) |
| Increase / (decrease) in supplier payables | 3,774 | (1,992) |
| Increase / (decrease) in accrued expenses | 31 | (1) |
| Increase / (decrease) in unearned revenue | 12,560 | 3,637 |
| Increase / (decrease) in Seigniorage payable | 3,577 | - |
| Increase / (decrease) in lease liability | (124) | (113) |
| Net cash from operating activities | 3,162 | 3,773 |

3.2: Special Accounts (Recoverable GST exclusive)

| | Royal Australian Mint Special Account (Departmental) ¹ | |
|---|---|----------------|
| | 2016 \$'000 | 2015 \$'000 |
| Balance brought forward from previous period | 24,402 | 14,571 |
| Increases: | | |
| Other Receipts | 223,137 | 149,139 |
| Available for payments | 247,539 | 163,710 |
| Decreases: | | |
| Other Payments | (197,158) | (139,308) |
| Total balance carried to the next period | 50,381 | 24,402 |

The Mint operates entirely through its special account, which was created under a s20 FMA Act 1997 determination. The special account determination is to sunset on 1 October 2023.

The determination was originally made under subsection 20(1) of the Financial Management and Accountability Act 1997 and from 1 July 2014 is taken to have been made under subsection 78(1) of the Public Governance, Performance and Accountability Act 2013 .

¹**Appropriation:** *Public Governance, Performance and Accountability Act 2013 section 78*

Establishing Instrument: *FMA Act (Royal Australian Mint Special Account) Determination 2013/04*

Purpose:

- (a) to make payments in relation to purchasing producing, supplying, storing, selling and distributing coinage, medals, dies, tokens, plaques, and other like items;
- (b) to make payments in relation to managing and operating the Royal Australian Mint;
- (c) to make payments incidental to the abovementioned purposes;
- (d) to reduce the balance of this Special Account without making a real or notional payment;
- (e) to repay amounts received by the Commonwealth and credited to this Special Account where an Act or other law requires or permits the amounts to be repaid.

4.1: Senior Management Personnel Remuneration

| | 2016 | 2015 |
|---|----------------|---------|
| | \$ | \$ |
| Short-term employee benefits: | | |
| Salary | 272,215 | 272,423 |
| Performance bonuses | - | - |
| Total short-term employee benefits | 272,215 | 272,423 |
| Post-employment benefits: | | |
| Superannuation | 41,922 | 41,954 |
| Total post-employment benefits | 41,922 | 41,954 |
| Other long-term benefits: | | |
| Annual leave accrued | 13,871 | 13,882 |
| Long-service leave | 7,433 | 7,439 |
| Total other long-term benefits | 21,304 | 21,321 |
| Termination benefits | - | - |
| Total senior executive remuneration expenses | 335,441 | 335,698 |

The total number of senior management personnel that are included in the above table is 1 (2015: 1).

4.2: Employee Provisions

| | 2016 | 2015 |
|----------------------------------|--------------|--------------|
| | \$'000 | \$'000 |
| 4.2: Employee Provisions | | |
| Leave | 5,440 | 4,910 |
| Other | 25 | - |
| Total employee provisions | 5,465 | 4,910 |

Employee provisions are expected to be settled in:

| | | |
|----------------------------------|--------------|--------------|
| No more than 12 months | 1,442 | 2,319 |
| More than 12 months | 4,023 | 2,591 |
| Total employee provisions | 5,465 | 4,910 |

Accounting PolicyProvisions

Provisions are recognised when the Mint has a present (legal or constructive) obligation as a result of a past event, it is probable the Mint will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Employee Provisions

Liabilities for 'short-term employee benefits' (as defined in AASB 119 Employee Benefits) and termination benefits due within twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

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

Leave

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

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

The liability for long service leave has been determined by reference to FRR 24(1)(a) using the shorthand method. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

Superannuation

Staff of the Mint are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), the PSS accumulation plan (PSSap) and other superannuation funds held outside the Commonwealth. The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap is a defined contribution scheme.

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

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

5.1: Contingent Assets and LiabilitiesQuantifiable Contingencies

The Mint has no contingent liabilities as at 30 June 2016 (2015: Nil).

The Mint also has no contingent assets as at 30 June 2016 (2015: Nil).

Unquantifiable Contingencies

The Mint has no unquantifiable contingent assets as at 30 June 2016 (2015: Nil).

The Mint also has no unquantifiable contingent liabilities as at 30 June 2016 (2015: Nil).

Accounting Policy

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

5.2: Financial Instruments

| | 2016 \$'000 | 2015 \$'000 |
|--|----------------|----------------|
| 5.2A: Categories of Financial Instruments | | |
| Financial Assets | | |
| Loans and receivables: | | |
| Cash and cash equivalents | 8,381 | 7,402 |
| Trade receivables | 3,900 | 11,503 |
| Total financial assets | 12,281 | 18,905 |
| Financial Liabilities | | |
| At amortised cost: | | |
| Trade creditors and accruals | 6,955 | 2,411 |
| Seigniorage payable | 3,577 | - |
| Unearned Income | 17,170 | 4,610 |
| Finance leases | 395 | 519 |
| Total financial liabilities | 28,097 | 7,540 |
| 5.2B: Net Gains or Losses on Financial Assets | | |
| Loans and receivables | | |
| Impairment | - | (61) |
| Net gain/(loss) from financial assets | - | (61) |
| 5.2C: Net Gains or Losses on Financial Liabilities | | |
| Financial liabilities - at amortised cost | | |
| Foreign Exchange Gain/(Loss) | (67) | (54) |
| Amortisation | - | (35) |
| Interest expense | (38) | (48) |
| Net gain/(loss) financial liabilities - at amortised cost | (105) | (137) |

The total interest expense from financial assets and liabilities not at fair value through profit or loss is \$38,000 (2015: \$48,000).

5.2D: Fair Value of Financial Instruments

The Mint had no departmental financial assets or liabilities that were designated at fair value through profit or loss, classified as available for sale or reclassified between categories in 2016 (2015: Nil). The Mint considers that the carrying amounts of financial instruments reported in the statement of financial position are a reasonable approximation of fair value.

Financial Risk Management Objectives

The Mint has exposure to the following risks:

- Credit Risk
- Liquidity Risk
- Market Risk

5.2E: Credit Risk

Credit Risk is the risk of financial loss to the Mint if a customer fails to meet its contractual obligations, and arises principally from the Mint's receivable from its customers. The Mint's exposure to credit risk can occur through the provision of trade credit.

Trade and other receivables

The Mint's exposure to credit risk is influenced mainly by the individual financial characteristics of each customer. The demographics of the Mint's customer base, including the default risk of the industry and country in which customers operate has less of an influence on credit risk. No significant percentage of the Mint's revenue is attributable to sales transactions with a single customer. Geographically there is no concentration of credit risk.

The maximum exposure to credit risk is the risk that arises from a potential default of a debtor. This amount is equal to the total amount of trade receivables (2016: \$4,851,000 and 2015: \$4,654,000). The Mint has assessed the risk of default on payment at 30 June 2016 as minor and an allowance for impairment of debts of \$36,000 occurred in 2016 (2015: \$30,000).

The Mint manages its credit risk by undertaking background and credit checks prior to allowing a debtor relationship. In addition the Mint has policies and procedures that guide the application of employee debt recovery techniques. The Mint trades only with recognised, creditworthy third parties and as such holds no collateral to mitigate against risk.

5.2: Financial Instruments

| Credit quality of financial instruments not past due or individually determined as impaired | Not past due nor impaired | Not past due nor impaired | Past due or impaired | Past due or impaired | |
|---|---------------------------|---------------------------|----------------------|----------------------|--------------|
| | 2016 \$'000 | 2015 \$'000 | 2016 \$'000 | 2015 \$'000 | |
| Loans and receivables | | | | | |
| Cash and cash equivalents | 8,381 | 7,402 | - | - | |
| Trade receivables | 368 | 8,654 | 3,532 | 2,849 | |
| Total | 8,749 | 16,056 | 3,532 | 2,849 | |
| Ageing of financial assets that were past due but not impaired for 2016 | | | | | |
| | 0 to 30 days | 31 to 60 days | 61 to 90 days | 90+ days | Total |
| Loans and receivables | 1,318 | 110 | 761 | 1,379 | 3,568 |
| Total | 1,318 | 110 | 761 | 1,379 | 3,568 |
| Ageing of financial assets that were past due but not impaired for 2015 | | | | | |
| | 0 to 30 days | 31 to 60 days | 61 to 90 days | 90+ days | Total |
| Loans and receivables | 659 | 1,039 | 229 | 892 | 2,819 |
| Total | 659 | 1,039 | 229 | 892 | 2,819 |

5.2F: Liquidity Risk

The Mint maintains sufficient liquid assets (mainly cash and cash equivalents) to be able to pay debts as and when they become due and payable. The Mint manages liquidity risk by continuously monitoring actual and forecast cash flow and matching the maturity profiles of financial assets and liabilities.

The Mint's liabilities are Suppliers payables, Finance Lease instalments payable, unearned income, Seigniorage payable to Government and competitive neutrality payments to Government. The exposure to liquidity risk is based on the notion that the Mint will encounter difficulty in meeting its obligations associated with financial liabilities.

The Mint's exposure to liquidity risk is highly unlikely as major capital purchases are appropriated by the Commonwealth; and, the Mint is entitled to retain its cost of production and associated allowable costs under the Memorandum of Understanding between the Mint and the Department of Treasury. In addition, the timing of Seigniorage payments to the Commonwealth (quarterly) mitigates the Mint's exposure to liquidity risk. Accordingly, the Mint's exposure to liquidity risk is assessed as \$Nil (2015: \$Nil).

| | within 1 year | 1 to 2 years | 2 to 5 years | Total |
|---|---------------|--------------|--------------|---------------|
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Maturities for non-derivative financial liabilities 2016 | | | | |
| Other Liabilities | | | | |
| Trade creditors | 6,955 | - | - | 6,955 |
| Seigniorage payable | 3,577 | - | - | 3,577 |
| Unearned Income | 17,170 | - | - | 17,170 |
| Finance leases | 134 | 145 | 116 | 395 |
| Total | 27,836 | 145 | 116 | 28,097 |
| Maturities for non-derivative financial liabilities 2015 | | | | |
| Other Liabilities | | | | |
| Trade creditors | 2,411 | - | - | 2,411 |
| Unearned Income | 4,610 | - | - | 4,610 |
| Finance leases | 124 | 133 | 262 | 519 |
| Total | 7,145 | 133 | 262 | 7,540 |

The Mint has no derivative financial liabilities in both the current and prior year.

5.2: Financial Instruments

5.2G: Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates which could affect the Mint's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

In accordance with Government approved processes, the Mint uses forward contracts to manage its exposure to market risks in relation to raw material metal purchases of gold and silver. These mitigate the exposure of the Mint to fluctuations in the metal prices incurred during the year. In 2016, the Mint did not enter into any metal forward contracts (2015: the Mint did not enter into any forward contracts for the purchase of metal).

Sensitivity analysis of the risk to which the Mint is exposed

The Mint's raw material inventory and cost of goods sold can be affected by movements in metal prices, which in turn are determined by fluctuations in both metal markets and the Australian dollar. However, the Mint actively manages this exposure to ensure that the risk is reduced to non-material levels by:

- denominating all contracts for the supply of precious metals in Australian Dollars, thereby limiting the Mint's exposure to fluctuations in precious metal prices purely to the less volatile metal component of the precious metal price;
- consciously scheduling the purchase of precious metals to avoid known global seasonal peak precious metal periods, unless the purchase is unavoidable, in which case minimum quantities are purchased;
- requiring non-precious metal suppliers to set the metal price at the average settlement price quoted on the London Metal Exchange for the three months prior to delivery, thereby eliminating seasonal fluctuations in non-precious metal prices; and
- denominating non-precious metal contracts in Australian dollars at an agreed exchange rate set at the time of order.

The Mint held no hedging contracts at the balance date for 2016 or 2015.

Interest Rate Risk

The only interest-bearing items on the statement of financial position are the 'Finance leases'. All items bear interest at a fixed interest rate and will not fluctuate due to changes in the market interest rate.

Currency Risk

The Mint is exposed to currency risk on sale and purchases that are denominated in a currency other than the Australian dollar. Per Government policy, the Mint does not hedge its estimated foreign currency exposure in respect of sales and purchases. The Mint does not hedge trade receivables or trade payables denominated in a foreign currency.

Price Risk

The Mint is not exposed to any significant price risk. Prices are set by the Mint to cover the cost of production plus a profit margin. Any fluctuations in the cost of materials and production is carried by the Mint.

5.2H: Assets Pledged/or Held as Collateral

The Mint has no assets pledged/held as collateral.

5.3: Fair Value Measurements

The following tables provide an analysis of assets and liabilities that are measured at fair value. The remaining assets and liabilities in the Statement of Financial Position do not apply the fair value hierarchy.

The different levels of the fair value hierarchy are defined below.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Mint can access at measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

5.3A: Fair Value Measurements, Valuation Techniques and Inputs Used

| | Fair Value measurements at the end of | | Category (level 1, 2, or 3) | For levels 2 & 3 fair value measurements | |
|---|--|----------------|-----------------------------------|--|---|
| | 2016 \$'000 | 2015 \$'000 | | Valuation technique ² | Inputs Used |
| Non-financial assets¹ | | | | | |
| Leasehold Improvements | 21,815 | 23,903 | 3 | Depreciated replacement cost | Cost price, useful life of lease held |
| Property, plant and equipment | 16,896 | 17,992 | 3 | Depreciated replacement cost | Cost price, useful life of lease held |
| Heritage & Cultural | 21,584 | 21,243 | 2 | Market comparables | Sales price for comparable minting products |
| Total non-financial assets | 60,295 | 63,137 | | | |
| Total recurring fair value measurements of assets in the statement of financial position | 60,295 | 63,137 | | | |

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

The highest and best use of all non-financial assets are the same as their current use.

2. Recurring and non-recurring Level 3 fair value measurements - valuation processes

The Mint engages an independent valuer in line with its policy stated in Note 2.2A. The valuation was obtained in 2016 for leasehold improvements and property, plant and equipment.

3. Recurring Level 3 fair value measurements - sensitivity of inputs

Changing inputs to the valuations of recurring level 3 fair value measurements listed above to reasonably possible alternatives would not significantly change amounts recognised in net contribution by services or other comprehensive income.

5.3B: Level 1 and Level 2 Transfers for Recurring Fair Value Measurements

No transfers between Level 1 and Level 2 occurred for recurring Fair Value Measurements.

The Mint's policy for determining when transfers between levels are deemed to have occurred can be found in Note 2.2A.

5.3C: Reconciliation for Recurring Level 3 Fair Value Measurements

A reconciliation of movements in leasehold improvements and plant and equipment has been included in Note 2.2A.

Accounting Policy

An asset or liability is required to be classified in its entirety on the basis of the lowest level of valuation inputs that is significant to fair value. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective. The Mint deems transfers between levels of the fair value hierarchy to have occurred at the end of the reporting period.

6.1: Administered - Cash Flow Reconciliation

| | 2016 | 2015 |
|--|---------------|---------------|
| | \$'000 | \$'000 |
| Reconciliation of net cost of services to net cash from operating activities: | | |
| Net contribution by services | 88,457 | 68,214 |
| Changes in assets / liabilities | | |
| (Increase) / decrease in net receivables | (3,943) | - |
| (Increase) / decrease in inventories | 4,835 | (792) |
| Increase / (decrease) in other payable | (6,134) | (2,632) |
| Net cash from operating activities | 83,215 | 64,790 |

6.2: Administered - Contingent Assets and Liabilities

The Mint has no Administered commitments, contingent liabilities or contingent assets as at reporting date (2015: Nil).

6.3: Administered - Financial Instruments

| | 2016 | 2015 |
|--|--------------|--------------|
| | \$'000 | \$'000 |
| 6.3A: Categories of Financial Instruments | | |
| Financial Assets | | |
| Loans & Receivables: | | |
| Seigniorage Receivable | 3,943 | - |
| Total financial assets | 3,943 | - |
| Financial Liabilities | | |
| At amortised cost: | | |
| Seigniorage Payable | - | 6,134 |
| Total financial liabilities | - | 6,134 |

6.3B: Net Income and Expense from Financial Liabilities

The Mint did not receive any income or expense from Administered financial liabilities.

6.3C: Fair Value of Financial Instruments

The Mint had no administered financial assets or liabilities that were designated at fair value through profit or loss, classified as available for sale or reclassified between categories in 2016 (2015: Nil). The Mint considers that the carrying amounts of financial instruments reported in the Administered Schedule of Assets and Liabilities are a reasonable approximation of fair value.

6.3D: Credit Risk

The Mint is exposed to minimal credit risk as the Seigniorage receivable held in the Administered accounts relates to amounts owed by the Mint's departmental accounts under the provisions of the Memorandum of Understanding between the Mint and the Department of Treasury. For 2016, the Seigniorage recorded by the Mint was \$4,352,000 receivable (2015: \$6,134,000 payable). No administered financial instruments were considered impaired in 2016 or 2015.

6.3E: Liquidity Risk

The Mint's exposure to liquidity risk in the Administered financial statements is highly unlikely as amounts are payable to the Mint's departmental accounts only. These amounts are payable only when called upon under the provisions of the Memorandum of Understanding between the Mint and the Department of Treasury.

The Mint has no financial liabilities in the current year.

| | within 1 year | 1 to 2 years | 2 to 5 years | Total |
|---|------------------|-----------------|-----------------|--------------|
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Maturities for non-derivative financial liabilities 2015 | | | | |
| Other Liabilities | | | | |
| Seigniorage Payable | 6,134 | - | - | 6,134 |
| Total | 6,134 | - | - | 6,134 |

6.3F: Market Risk

The Mint holds no Administered assets or liabilities which are subject to Market risks.

6.3G: Assets Pledged/or Held as Collateral

The Mint has no Administered assets pledged/held as collateral.

7.1: Reporting of Outcomes

7.1: Net Cost of Outcome Delivery

The Mint has a single Outcome which is described in the Overview.

| | Outcome 1 | | Total | |
|---|-----------------|-----------------|-----------------|-----------------|
| | 2016 \$'000 | 2015 \$'000 | 2016 \$'000 | 2015 \$'000 |
| Departmental | | | | |
| Expenses | 102,066 | 82,730 | 102,066 | 82,730 |
| Own-source income | (105,601) | (83,713) | (105,601) | (83,713) |
| Administered | | | | |
| Expenses | 52,308 | 38,191 | 52,308 | 38,191 |
| Income tax (benefit)/expense | (140,765) | (106,405) | (140,765) | (106,405) |
| Net (contribution) of outcome delivery | (91,992) | (69,197) | (91,992) | (69,197) |

PAGE LEFT BLANK DELIBERATELY

7

Appendices

Appendix A: Circulating coin purchases from the Mint by external parties 2015–16

| Year | \$2 \$'000 | \$1 \$'000 | 50c \$'000 | 20c \$'000 | 10c \$'000 | 5c \$'000 | 2c \$'000 | 1c \$'000 | Total \$'000 |
|--------------|------------------|----------------|----------------|----------------|----------------|----------------|---------------|---------------|------------------|
| 1965–75 | – | – | 55 372 | 61 795 | 30 476 | 23 740 | 18 662 | 11 716 | 201 761 |
| 1975–85 | – | 268 019 | 154 890 | 96 944 | 42 132 | 36 489 | 21 462 | 12 626 | 632 562 |
| 1985–95 | 477 096 | 120 585 | 19 683 | 5 479 | 30 163 | 39 467 | 8 660 | 6 828 | 707 961 |
| 1995–05 | 412 000 | 233 894 | 114 091 | 82 610 | 55 400 | 63 710 | – | – | 961 705 |
| 2005–06 | 73 400 | 30 800 | 23 880 | 18 400 | 12 160 | 10 880 | – | – | 169 520 |
| 2006–07 | 65 800 | 28 898 | 15 840 | 12 680 | 9 600 | 6 920 | – | – | 139 738 |
| 2007–08 | 85 200 | 40 900 | 15 040 | 13 820 | 7 940 | 4 940 | – | – | 167 840 |
| 2008–09 | 91 000 | 31 150 | 15 520 | 16 200 | 7 505 | 6 225 | – | – | 167 600 |
| 2009–10 | 72 400 | 27 150 | 14 240 | 15 015 | 7 820 | 5 810 | – | – | 142 435 |
| 2010–11 | 62 200 | 20 300 | 10 355 | 11 845 | 5 440 | 4 470 | – | – | 114 610 |
| 2011–12 | 48 000 | 25 200 | 11 895 | 8 425 | 5 715 | 4 425 | – | – | 103 660 |
| 2012–13 | 73 200 | 23 400 | 11 465 | 10 395 | 6 075 | 3 985 | – | – | 128 520 |
| 2013–14 | 60 400 | 20 350 | 8 290 | 9 045 | 5 375 | 3 810 | – | – | 107 270 |
| 2014–15 | 62 400 | 20 700 | 7 720 | 9 140 | 3 940 | 2 505 | – | – | 106 405 |
| 2015–16 | 75 400 | 33 000 | 16 240 | 8 700 | 4 740 | 2 685 | – | – | 140 765 |
| Total | 1 658 496 | 924 346 | 494 521 | 380 493 | 234 481 | 220 061 | 48 784 | 31 170 | 3 992 352 |

APPENDICES



WELCOME



Appendix B: Circulating coin production 2015–16

| Country | Type | Design | Year | Alloy | Qty Produced (m) |
|------------------------|------|--------------------------------------|------|---------------------|------------------|
| Australia | 5c | Standard | 2014 | Nickel Plated Steel | 17.814 |
| | 5c | Standard | 2015 | Nickel Plated Steel | 21.232 |
| | 5c | Standard | 2016 | Nickel Plated Steel | 22.456 |
| | 5c | 50th anniversary of decimal currency | 2016 | Nickel Plated Steel | 4.798 |
| | 10c | Standard | 2014 | Nickel Plated Steel | 5.761 |
| | 10c | Standard | 2015 | Nickel Plated Steel | 14.319 |
| | 10c | Standard | 2016 | Nickel Plated Steel | 6.840 |
| | 10c | 50th anniversary of decimal currency | 2016 | Nickel Plated Steel | 3.800 |
| | 20c | Standard | 2014 | Nickel Plated Steel | 3.593 |
| | 20c | Standard | 2015 | Nickel Plated Steel | 24.416 |
| | 20c | Standard | 2016 | Nickel Plated Steel | 12.472 |
| | 20c | 50th anniversary of decimal currency | 2016 | Nickel Plated Steel | 4.510 |
| | 50c | Standard | 2015 | Nickel Plated Steel | 15.118 |
| | 50c | Standard | 2016 | Nickel Plated Steel | 9.812 |
| | 50c | 50th anniversary of decimal currency | 2016 | Nickel Plated Steel | 6.911 |
| | \$1 | Standard | 2015 | Aluminium Bronze | 18.878 |
| | \$1 | 100 Years of Anzac | 2015 | Aluminium Bronze | 1.320 |
| | \$1 | Standard | 2016 | Aluminium Bronze | 11.544 |
| | \$1 | 100 Years of Anzac | 2016 | Aluminium Bronze | 1.800 |
| | \$1 | 50th anniversary of decimal currency | 2016 | Aluminium Bronze | 0.359 |
| | \$2 | Standard | 2014 | Aluminium Bronze | 0.060 |
| | \$2 | Standard | 2015 | Aluminium Bronze | 22.012 |
| | \$2 | Remembrance Day Coloured | 2015 | Aluminium Bronze | 2.151 |
| | \$2 | Lest We Forget Coloured | 2015 | Aluminium Bronze | 0.066 |
| | \$2 | Standard | 2016 | Aluminium Bronze | 12.967 |
| | \$2 | 50th anniversary of decimal currency | 2016 | Aluminium Bronze | 2.795 |
| Total Australia | | | | | 247.802 |

| Country | Type | Design | Year | Alloy | Qty Produced (m) |
|------------------------------|-----------|---------------------------|------|-----------------------|------------------|
| Cook Islands | 10 cent | Standard | 2015 | Nickel Plated Steel | 1.000 |
| | 20 cent | Standard | 2015 | Nickel Plated Steel | 0.800 |
| | 50 cent | Standard | 2015 | Nickel Plated Steel | 0.200 |
| | \$1 | Standard | 2015 | Aluminium Bronze | 0.200 |
| | \$2 | Standard | 2015 | Aluminium Bronze | 0.200 |
| Papua New Guinea | 5 toea | Standard | 2015 | Nickel Plated Steel | 5.999 |
| | 10 toea | Standard | 2015 | Nickel Plated Steel | 12.000 |
| | 50 toea | XV Pacific Games Coloured | 2015 | Nickel Plated Steel | 1.536 |
| Solomon Islands | \$1 | Standard | 2015 | Aluminium Bronze | 1.000 |
| Tonga | 5 seniti | Standard | 2015 | Nickel Plated Steel | 1.500 |
| | 10 seniti | Standard | 2015 | Nickel Plated Steel | 1.800 |
| | 20 seniti | Standard | 2015 | Nickel Plated Steel | 1.200 |
| | 50 seniti | Standard | 2015 | Nickel Plated Steel | 0.800 |
| | 1 panga | Standard | 2015 | Aluminium Bronze | 1.100 |
| Vanuatu | 5 vatu | Standard | 2015 | Copper Plated Steel | 1.600 |
| | 10 vatu | Standard | 2015 | Nickel Plated Steel | 2.600 |
| | 20 vatu | Standard | 2015 | Nickel Plated Steel | 2.565 |
| | 50 vatu | Standard | 2015 | Nickel Plated Steel | 1.600 |
| | 100 vatu | Standard | 2015 | Aluminium Zinc Bronze | 2.100 |
| Total Other Countries | | | | | 39.800 |

*Numbers have been rounded up.

Appendix C: Other production 2015–16

| Product | Corporate | Royal Australian Mint | Total |
|-------------------------------|-----------|-----------------------|---------------|
| Jewellery | 0 | 272 | 272 |
| Medallion | 792 | 0 | 792 |
| Token | 0 | 22 461 | 22 461 |
| Miscellaneous | 75 | 0 | 75 |
| Total Other Production | | | 23 600 |

Appendix D: Collector coin production 2015–16

| Coin Type | Year | Item Code | Qty Produced | Mintage |
|--|------|-----------|--------------|-----------|
| \$5 silver proof 125 years state govt wa | 2015 | 210294 | 1132 | 12 500 |
| 6 coin proof set 50th anniversary mint | 2015 | 210301 | 4870 | unlimited |
| 6 coin proof baby set personalised | 2015 | 210308 | 300 | unlimited |
| 6 coin proof baby set | 2015 | 210309 | 1000 | unlimited |
| \$1 silver prestige year of the goat | 2015 | 210364 | 590 | 10 000 |
| \$1 silver proof centenary anzac c mintmark | 2015 | 210379 | 55 | 12 500 |
| \$1 silver proof year of the monkey | 2016 | 210389 | 2500 | 10 000 |
| \$1 silver proof year of the monkey 1 oz | 2016 | 210391 | 2187 | 3000 |
| \$10 silver proof year of the monkey | 2016 | 210393 | 260 | 500 |
| \$30 silver proof year of the monkey | 2016 | 210395 | 46 | 500 |
| \$10 gold proof year of the monkey | 2016 | 210397 | 999 | 1500 |
| 6 coin proof set 50th anniversary decimal currency | 2016 | 210414 | 20 852 | unlimited |
| 6 coin proof baby set personalised | 2016 | 210415 | 500 | unlimited |
| 6 coin proof baby set | 2016 | 210416 | 5502 | unlimited |
| 6 coin gold proof set | 2015 | 210446 | 4 | 100 |
| \$1 silver proof kangaroo series | 2016 | 210448 | 2802 | 5000 |
| \$1 silver proof kangaroo at sunset | 2015 | 210450 | 250 | 5000 |
| \$25 gold proof kangaroo at sunset | 2016 | 210458 | 1000 | 1000 |
| \$5 silver proof domed netball world cup | 2015 | 210460 | 1750 | 5000 |
| \$1 silver proof c mintmark first mints | 2016 | 210462 | 3800 | 5000 |
| \$10 gold proof c mintmark first mints | 2016 | 210464 | 999 | 1000 |
| \$5 silver proof domed cassiopeia | 2016 | 210491 | 5000 | 5000 |
| \$5 silver proof high relief monty | 2016 | 210492 | 1500 | 1500 |
| \$5 silver proof triangular anzac | 2016 | 210503 | 7500 | 7500 |
| \$5 silver proof domed ursa major | 2016 | 210520 | 3650 | 5000 |
| \$5 silver proof australian olympic team | 2016 | 210529 | 1969 | 2016 |

| Coin Type | Year | Item Code | Qty Produced | Mintage |
|---|------|-----------|--------------|-----------|
| \$30 silver proof australian olympic team | 2016 | 210531 | 1 | 50 |
| \$3000 gold proof australian olympic team | 2016 | 210533 | 1 | 5 |
| 50 cent german new guinea | 2014 | 310327 | 2000 | 50 000 |
| 50 cent gallipoli campaign | 2014 | 310339 | 3000 | 50 000 |
| 50 cent western front | 2014 | 310342 | 7858 | 50 000 |
| 50 cent greece | 2015 | 310363 | 2000 | 50 000 |
| 50 cent crete | 2015 | 310366 | 2000 | 50 000 |
| 50 cent tobruk | 2015 | 310369 | 17 002 | 50 000 |
| 50 cent empire air training | 2015 | 310372 | 17 002 | 50 000 |
| 50 cent war in the pacific | 2015 | 310375 | 17 000 | 50 000 |
| 50 cent el alamein | 2015 | 310378 | 2000 | 50 000 |
| 50 cent korean war | 2016 | 310381 | 14 602 | 50 000 |
| 50 cent malayan emergency | 2016 | 310384 | 14 577 | 50 000 |
| 50 cent indonesian confrontation | 2016 | 310387 | 14 602 | 50 000 |
| 50 cent gulf wars | 2016 | 310393 | 14 602 | 50 000 |
| 6 coin uncirculated set 50th anniversary mint | 2015 | 310402 | 12 637 | unlimited |
| 6 coin uncirculated baby set | 2015 | 310403 | 3500 | unlimited |
| \$1 coloured frunc a alphabet | 2015 | 310462 | 1500 | unlimited |
| \$1 coloured frunc b alphabet | 2015 | 310463 | 150 | unlimited |
| \$1 coloured frunc c alphabet | 2015 | 310464 | 690 | unlimited |
| \$1 coloured frunc e alphabet | 2015 | 310466 | 630 | unlimited |
| \$1 coloured frunc j alphabet | 2015 | 310471 | 400 | unlimited |
| \$1 coloured frunc l alphabet | 2015 | 310473 | 500 | unlimited |
| \$1 coloured frunc m alphabet | 2015 | 310474 | 464 | unlimited |
| \$1 coloured frunc r alphabet | 2015 | 310479 | 250 | unlimited |
| \$1 coloured frunc s alphabet | 2015 | 310480 | 300 | unlimited |
| \$2 uncirculated c mintmark remembrance day | 2014 | 310504 | 4868 | 50 000 |
| \$1 coloured silver frunc a alphabet | 2015 | 310554 | 50 | 5000 |

| Coin Type | Year | Item Code | Qty Produced | Mintage |
|---|------|-----------|--------------|-----------|
| \$1 coloured silver frunc c alphabet | 2015 | 310556 | 100 | 5000 |
| \$1 coloured silver frunc e alphabet | 2015 | 310558 | 50 | 5000 |
| \$1 coloured silver frunc j alphabet | 2015 | 310563 | 50 | 5000 |
| \$1 coloured silver frunc l alphabet | 2015 | 310565 | 50 | 5000 |
| \$1 coloured silver frunc m alphabet | 2015 | 310566 | 50 | 5000 |
| \$1 coloured silver frunc o alphabet | 2015 | 310568 | 50 | 5000 |
| \$1 coloured silver frunc p alphabet | 2015 | 310569 | 50 | 5000 |
| \$1 coloured silver frunc w alphabet | 2015 | 310576 | 50 | 5000 |
| 50 cent coloured uncirculated 50th anniversary mint | 2015 | 310592 | 2576 | 30 000 |
| \$1 uncirculated centenary anzac p counterstamp | 2015 | 310628 | 2746 | unlimited |
| \$1 uncirculated centenary anzac m counterstamp | 2015 | 310629 | 3503 | unlimited |
| \$1 uncirculated centenary anzac b counterstamp | 2015 | 310630 | 1809 | unlimited |
| \$1 frunc murphy the donkey | 2015 | 310634 | 134 | 30 000 |
| \$1 frunc sandy the horse | 2015 | 310643 | 9976 | 30 000 |
| \$1 frunc dd.43.Q.879 | 2015 | 310646 | 10 002 | 30 000 |
| \$1 uncirculated year of the monkey | 2016 | 310653 | 14 907 | unlimited |
| 20 cent uncirculated cooee march | 2015 | 310661 | 12 400 | 30 000 |
| 6 coin uncirculated set 50th anniversary decimal currency | 2016 | 310668 | 61 468 | unlimited |
| 6 coin uncirculated baby set | 2016 | 310669 | 13 902 | unlimited |
| \$2 uncirculated c mintmark remembrance day | 2015 | 310680 | 30 002 | 50 000 |
| \$1 silver frunc a alphabet | 2016 | 310752 | 350 | 5000 |
| \$1 silver frunc b alphabet | 2016 | 310753 | 350 | 5000 |
| \$1 silver frunc c alphabet | 2016 | 310754 | 300 | 5000 |
| \$1 silver frunc d alphabet | 2016 | 310755 | 300 | 5000 |
| \$1 silver frunc e alphabet | 2016 | 310756 | 400 | 5000 |
| \$1 silver frunc f alphabet | 2016 | 310757 | 300 | 5000 |
| \$1 silver frunc g alphabet | 2016 | 310758 | 300 | 5000 |
| \$1 silver frunc h alphabet | 2016 | 310759 | 350 | 5000 |

| Coin Type | Year | Item Code | Qty Produced | Mintage |
|-------------------------------|------|-----------|--------------|-----------|
| \$1 silver frunc i alphabet | 2016 | 310760 | 350 | 5000 |
| \$1 silver frunc j alphabet | 2016 | 310761 | 300 | 5000 |
| \$1 silver frunc k alphabet | 2016 | 310762 | 300 | 5000 |
| \$1 silver frunc l alphabet | 2016 | 310763 | 350 | 5000 |
| \$1 silver frunc m alphabet | 2016 | 310764 | 300 | 5000 |
| \$1 silver frunc n alphabet | 2016 | 310765 | 300 | 5000 |
| \$1 silver frunc o alphabet | 2016 | 310766 | 300 | 5000 |
| \$1 silver frunc p alphabet | 2016 | 310767 | 300 | 5000 |
| \$1 silver frunc q alphabet | 2016 | 310768 | 300 | 5000 |
| \$1 silver frunc r alphabet | 2016 | 310769 | 289 | 5000 |
| \$1 silver frunc s alphabet | 2016 | 310770 | 300 | 5000 |
| \$1 silver frunc t alphabet | 2016 | 310771 | 350 | 5000 |
| \$1 silver frunc u alphabet | 2016 | 310772 | 300 | 5000 |
| \$1 silver frunc v alphabet | 2016 | 310773 | 300 | 5000 |
| \$1 silver frunc w alphabet | 2016 | 310774 | 300 | 5000 |
| \$1 silver frunc x alphabet | 2016 | 310775 | 300 | 5000 |
| \$1 silver frunc y alphabet | 2016 | 310776 | 300 | 5000 |
| \$1 silver frunc z alphabet | 2016 | 310777 | 350 | 5000 |
| \$1 coloured frunc a alphabet | 2016 | 310830 | 2426 | unlimited |
| \$1 coloured frunc b alphabet | 2016 | 310831 | 1946 | unlimited |
| \$1 coloured frunc c alphabet | 2016 | 310832 | 1991 | unlimited |
| \$1 coloured frunc d alphabet | 2016 | 310833 | 1922 | unlimited |
| \$1 coloured frunc e alphabet | 2016 | 310834 | 1993 | unlimited |
| \$1 coloured frunc f alphabet | 2016 | 310835 | 1438 | unlimited |
| \$1 coloured frunc g alphabet | 2016 | 310836 | 1952 | unlimited |
| \$1 coloured frunc h alphabet | 2016 | 310837 | 2002 | unlimited |
| \$1 coloured frunc i alphabet | 2016 | 310838 | 1502 | unlimited |
| \$1 coloured frunc j alphabet | 2016 | 310839 | 1933 | unlimited |

| Coin Type | Year | Item Code | Qty Produced | Mintage |
|---|------|-----------|--------------|-----------|
| \$1 coloured frunc k alphabet | 2016 | 310840 | 1852 | unlimited |
| \$1 coloured frunc l alphabet | 2016 | 310841 | 1930 | unlimited |
| \$1 coloured frunc m alphabet | 2016 | 310842 | 1928 | unlimited |
| \$1 coloured frunc n alphabet | 2016 | 310843 | 1502 | unlimited |
| \$1 coloured frunc o alphabet | 2016 | 310844 | 1450 | unlimited |
| \$1 coloured frunc p alphabet | 2016 | 310845 | 1987 | unlimited |
| \$1 coloured frunc q alphabet | 2016 | 310846 | 1491 | unlimited |
| \$1 coloured frunc r alphabet | 2016 | 310847 | 1935 | unlimited |
| \$1 coloured frunc s alphabet | 2016 | 310848 | 2140 | unlimited |
| \$1 coloured frunc t alphabet | 2016 | 310849 | 2002 | unlimited |
| \$1 coloured frunc u alphabet | 2016 | 310850 | 1436 | unlimited |
| \$1 coloured frunc v alphabet | 2016 | 310851 | 1416 | unlimited |
| \$1 coloured frunc w alphabet | 2016 | 310852 | 1442 | unlimited |
| \$1 coloured frunc x alphabet | 2016 | 310853 | 1445 | unlimited |
| \$1 coloured frunc y alphabet | 2016 | 310854 | 1448 | unlimited |
| \$1 coloured frunc z alphabet | 2016 | 310855 | 1457 | unlimited |
| \$1 uncirculated mintmark privy mark set first mints | 2016 | 310887 | 17 077 | unlimited |
| \$1 silver frunc kangaroo series | 2016 | 310890 | 5302 | 10 000 |
| \$1 uncirculated 50th anniversary decimal currency c counterstamp | 2016 | 310894 | 5000 | 5000 |
| \$1 uncirculated first mints m counterstamp | 2016 | 310895 | 2 | unlimited |
| \$1 uncirculated first mints b counterstamp | 2016 | 310896 | 2504 | unlimited |
| \$1 uncirculated first mints s counterstamp | 2016 | 310897 | 9419 | unlimited |
| 6 coin uncirculated set in come dollars cents | 2016 | 310903 | 10 000 | 10 000 |
| \$1 silver frunc monty | 2016 | 310905 | 5000 | 5000 |
| 50 cent uncirculated longest-reigning monarch | 2015 | 310907 | 18 001 | 50 000 |
| 20 cent uncirculated netball world cup | 2015 | 310910 | 7000 | 30 000 |
| 50 cent uncirculated royal baby clamshell | 2015 | 310927 | 9000 | 50 000 |
| \$1 antique copper 3 coin set convict love tokens | 2016 | 310935 | 5000 | 30 000 |

| Coin Type | Year | Item Code | Qty Produced | Mintage |
|--|------|-----------|--------------|-----------|
| 50 cent uncirculated longest reigning monarch clamshell | 2016 | 310936 | 9250 | 50 000 |
| 20 cent uncirculated netball world cup s counterstamp | 2015 | 310938 | 2892 | 30 000 |
| \$1 uncirculated nrl clamshell | 2015 | 310943 | 3000 | 30 000 |
| \$1 uncirculated nrl s counterstamp | 2015 | 310944 | 3481 | 30 000 |
| \$1 uncirculated afl clamshell | 2015 | 310945 | 3000 | 30 000 |
| \$1 uncirculated afl m counterstamp | 2015 | 310946 | 3907 | 30 000 |
| \$1 frunc murphy the donkey clamshell | 2015 | 310949 | 10 805 | 30 000 |
| \$1 coloured frunc nrl | 2015 | 310954 | 500 | 500 |
| \$1 coloured frunc afl | 2015 | 310956 | 500 | 500 |
| 50 cent uncirculated round gold plated 50th anniversary decimal currency dated | 2016 | 310963 | 10 502 | 21966 |
| 50 cent uncirculated round gold plated 50th anniversary decimal currency | 2016 | 310964 | 11 464 | 21 966 |
| 50 cent 3 coin set play school | 2016 | 310971 | 9985 | unlimited |
| 50 cent uncirculated pozières | 2016 | 310973 | 10 002 | 15 000 |
| 50 cent uncirculated fromelles | 2016 | 310975 | 10 002 | 15 000 |
| \$1 silver 3 coin set wmf alphabet | 2016 | 310976 | 1000 | 1000 |
| \$1 coloured frunc q alphabet clamshell | 2016 | 310977 | 7502 | unlimited |
| \$1 coloured frunc w alphabet clamshell | 2016 | 310978 | 7502 | unlimited |
| \$1 uncirculated 50th anniversary of decimal currency clamshell | 2016 | 310979 | 9227 | unlimited |
| \$2 uncirculated 50th anniversary of decimal currency clamshell | 2016 | 310980 | 9227 | unlimited |
| \$1 uncirculated mob of roos p privy mark | 2016 | 310985 | 3000 | 3000 |
| \$1 uncirculated mob of roos b privy mark | 2016 | 310987 | 3000 | 3000 |
| \$1 uncirculated mob of roos s privy mark | 2016 | 310989 | 3000 | 3000 |
| \$1 uncirculated mob of roos m privy mark | 2016 | 310991 | 3000 | 3000 |
| \$5 uncirculated 50th anniversary long tan | 2016 | 311249 | 10 002 | 15 000 |
| \$1 antique copper forget me, not | 2016 | 311250 | 1002 | 30 000 |
| \$1 antique copper gaol bird | 2016 | 311251 | 1002 | 30 000 |
| \$1 antique copper remember me | 2016 | 311252 | 1002 | 30 000 |

| Coin Type | Year | Item Code | Qty Produced | Mintage |
|--|------|-----------|--------------|-----------|
| \$1 uncirculated mob of boxing kangaroos athletics | 2016 | 311257 | 535 | unlimited |
| \$1 uncirculated mob of boxing kangaroos swimming | 2016 | 311258 | 730 | unlimited |
| \$1 uncirculated mob of boxing kangaroos basketball | 2016 | 311259 | 1102 | unlimited |
| \$1 coloured frunc t alphabet clamshell | 2016 | 311512 | 7502 | unlimited |
| 50 cent uncirculated holden fj clamshell | 2016 | 311513 | 7502 | unlimited |
| 50 cent uncirculated holden hk monaro clamshell | 2016 | 311514 | 7502 | 30 000 |
| 50 cent uncirculated holden lj torana clamshell | 2016 | 311515 | 7502 | 30 000 |
| 50 cent uncirculated holden hx sandman clamshell | 2016 | 311516 | 7502 | 30 000 |
| 50 cent uncirculated big ted and little ted clamshell | 2016 | 311517 | 7507 | 30 000 |
| 50 cent uncirculated play school jemima clamshell | 2016 | 311518 | 5002 | 30 000 |
| 50 cent uncirculated play school humpty clamshell | 2016 | 311519 | 5002 | 30 000 |
| 50 cent uncirculated tetra-decagon year of the monkey tray | 2016 | 410085 | 10 020 | 50 000 |
| 50 cent uncirculated tetra-decagon year of the goat | 2015 | 410090 | 308 | 50 000 |
| 50 cent uncirculated tetra-decagon year of the monkey | 2016 | 410126 | 12 002 | 50 000 |
| \$2 coloured remembrance day clamshell | 2015 | 410147 | 12 117 | unlimited |
| \$2 uncirculated australian olympic team black | 2016 | 410150 | 2 000 000 | unlimited |
| \$2 uncirculated australian olympic team blue | 2016 | 410153 | 2 000 000 | unlimited |
| \$2 uncirculated australian olympic team green | 2016 | 410156 | 2 000 000 | unlimited |
| \$2 uncirculated australian olympic team red | 2016 | 410159 | 2 000 000 | unlimited |
| \$2 uncirculated australian olympic team yellow | 2016 | 410162 | 2 000 000 | unlimited |
| \$2 uncirculated australian paralympic team | 2016 | 410187 | 2 000 000 | unlimited |
| coin set uncirculated vanuatu | 2015 | 480084 | 5000 | unlimited |
| \$500 gold frunc 5 oz kangaroo road sign | 2013 | 510159 | 2 | 500 |
| \$500 gold frunc 5 oz koala road sign | 2014 | 510262 | 2 | 500 |
| \$500 gold frunc 5 oz emu road sign | 2015 | 510633 | 3 | 500 |
| 50 sene aquatics samoa | 2015 | 510752 | 2700 | 2700 |
| \$500 gold proof fab four kangaroo | 2015 | 510786 | 99 | 99 |
| \$5 silver proof 3 coin set longest-reigning monarch | 2015 | 510787 | 250 | 5000 |

| Coin Type | Year | Item Code | Qty Produced | Mintage |
|--|------|-----------|--------------|-----------|
| \$100 gold proof 3 coin set longest-reigning monarch | 2015 | 510792 | 10 | 1000 |
| \$5 silver proof longest-reigning monarch | 2015 | 510793 | 2500 | 5000 |
| \$1 silver proof end of world war two 70th anniversary | 2015 | 510795 | 4 | 5000 |
| 2 kina uncirculated golden jubilee png university | 2015 | 510801 | 2500 | 2500 |
| 5 kina silver frunc golden jubilee png university | 2015 | 510804 | 5000 | 5000 |
| \$2 coloured circulating lest we forget poppy counterstamp | 2015 | 510809 | 15 000 | 15 000 |
| \$5 gold investment year of the monkey | 2016 | 510816 | 2000 | unlimited |
| \$15 gold investment year of the monkey | 2016 | 510818 | 3000 | unlimited |
| \$50 gold investment year of the monkey | 2016 | 510820 | 1600 | unlimited |
| \$100 gold investment year of the monkey | 2016 | 510822 | 3000 | unlimited |
| \$25 gold investment year of the monkey | 2016 | 510824 | 2000 | unlimited |
| \$5 silver frunc 50th anniversary self government cook islands | 2015 | 510827 | 2500 | 2500 |
| \$1 uncirculated 50th anniversary self government cook islands | 2015 | 510829 | 5000 | 5000 |
| 50 cent uncirculated year of the monkey solar tech | 2016 | 510831 | 3000 | 3000 |
| \$2 silver proof year of the monkey solar tech | 2016 | 510833 | 3500 | 3500 |
| \$20 gold proof year of the monkey solar tech | 2016 | 510835 | 1000 | 1000 |
| \$20 gold proof year of the monkey solar tech | 2016 | 510837 | 1000 | 1000 |
| \$100 gold proof year of the monkey solar tech | 2016 | 510839 | 1000 | 1000 |
| \$1 silver frunc sydney new year's eve | 2016 | 510844 | 3008 | 5000 |
| \$5 silver with love | 2016 | 510846 | 3500 | 7500 |
| \$1 silver proof life in the trenches nz | 2016 | 510848 | 1500 | 1500 |
| \$1 silver proof navy hms nz | 2016 | 510851 | 750 | 750 |
| \$10 gold proof courage and commitment | 2016 | 510853 | 500 | 500 |
| 20 cent uncirculated peacekeeping news corp | 2016 | 510855 | 250 800 | unlimited |
| 20 cent uncirculated bomber command news corp | 2016 | 510857 | 248 300 | unlimited |
| 20 cent uncirculated special forces news corp | 2016 | 510859 | 248 300 | unlimited |
| 20 cent uncirculated fromelles news corp | 2016 | 510861 | 248 300 | unlimited |
| 20 cent uncirculated darwin bombing news corp | 2016 | 510863 | 245 800 | unlimited |

| Coin Type | Year | Item Code | Qty Produced | Mintage |
|---|------|-----------|--------------|-----------|
| 20 cent uncirculated korean war news corp | 2016 | 510865 | 240 300 | unlimited |
| 20 cent uncirculated thai-burma railway news corp | 2016 | 510867 | 245 800 | unlimited |
| 20 cent uncirculated dogs at war news corp | 2016 | 510869 | 240 300 | unlimited |
| 20 cent uncirculated rats of tobruk news corp | 2016 | 510871 | 245 800 | unlimited |
| 20 cent uncirculated afghanistan news corp | 2016 | 510873 | 240 300 | unlimited |
| \$15 gold investment kangaroo | 2016 | 510875 | 2104 | unlimited |
| \$25 gold investment kangaroo | 2016 | 510877 | 1504 | unlimited |
| \$50 gold investment kangaroo | 2016 | 510879 | 1504 | unlimited |
| \$100 gold investment kangaroo | 2016 | 510881 | 4004 | unlimited |
| 25 cent uncirculated peace news corp | 2016 | 510883 | 266 700 | unlimited |
| 25 cent uncirculated our legends news corp | 2016 | 510885 | 500 300 | unlimited |
| 25 cent uncirculated kokoda news corp | 2016 | 510887 | 268 200 | unlimited |
| 25 cent uncirculated battle of long tan news corp | 2016 | 510889 | 271 200 | unlimited |
| 50 cent uncirculated round gold plated 50th anniversary decimal currency wmf privy mark | 2016 | 510900 | 5000 | 5000 |
| 6 coin set uncirculated 50th anniversary decimal currency | 2016 | 510901 | 1250 | 1250 |
| \$1 silver proof centenary of the rsa nz | 2016 | 510904 | 1500 | 1500 |
| \$1 uncirculated berlin buddy bear privy mark | 2016 | 510923 | 7500 | 7500 |
| \$1 circulating 100 years of anzac australia map counterstamp | 2016 | 510927 | 5004 | unlimited |

8

INDICES

Indices

GLOSSARY

antique finish

An antique finish gives the appearance of an old, treasured coin. Unlike any other coin finish, antique coins are entirely handmade and consequently may exhibit some slight variations.

audiometric

A type of test to determine a subject's hearing levels.

Accountable Authority Instructions (AAls)

These instructions establish the Mint's financial administrative framework as required under the *Public Governance, Performance and Accountability Act 2013*

CHRIS21

An integrated human resource and payroll application for managing payroll, award interpretation, training, OHS, professional development, recruitment, reporting and workflow.

circulating coins

Coins that are in public circulation.

coinage

Refers to coins collectively.

coin blank

A piece of metal which has been cut to the required shape but yet to be struck into a coin.

coin dealer

Collects and sells coins.

coin die

A hardened metal tool, the face of which carries an engraved design or mirror image of the design that is to be impressed on one side of the blank.

colour printed

Coloured ink applied to a coin after striking to enhance elements of the design.

denomination

The stated face value on a coin or banknote.

direct sourcing

A form of restricted tendering, available only under certain circumstances, with a single potential supplier or suppliers being invited to bid because of their unique expertise and/or special ability to supply the goods and/or services sought.

effigy

The portrait appearing on the obverse of a coin. In Australia, the effigy features the reigning monarch and when appearing with the word Australia, denotes the coin is legal tender in Australia.

fine silver

Used to refer to silver which is 99.9 per cent pure.

frosted uncirculated coin (frunc)

Coins may be issued with certain parts of the design slightly dulled. This is accomplished by sandblasting a portion of the design on the die.

health, safety and environment management system (HSEMS)

A framework that allows an organisation to consistently identify and control its health and safety risks, reduce the potential for safety occurrences, help achieve compliance with health and safety legislation and continually improve its performance.

high relief

High relief is a sculptural technique where the design of a coin is further raised out of the background field, increasing the definition the design.

human resource management information system (HRMIS)

A computerised solution for the management of human resources and payroll data and accounting functions within payroll. The Mint's HRMIS is called CHRIS21.

individual work plan (IWP)

Regular feedback between team member and supervisor to discuss workplace issues and assist in identifying areas where development is needed and how to meet those needs.

legal tender

Currency which is payment for an amount equal to that denoted on the face of currency.

limited mintage

Maximum number of coins being made.

mintage

Number of coins made.

minting

Making coins.

mint issue

The Royal Australian Mint's quarterly catalogue featuring new numismatic products.

national coin collection

The Mint's collection of coins and coin related material that is significant to Australia's numismatic history.

numismatic

The science, study or collecting of coins, tokens, medals, paper money, orders, decorations or similar objects.

numismatic products

Collectible products including coins, medallions, tokens, jewellery etc.

obverse

The side of the coin which is the major side, usually carrying the portrait. The 'Heads' side of the coin.

open tender

A procurement procedure in which a request for tender is published inviting all businesses that satisfy the conditions for participation to submit tenders.

Public Governance, Performance and Accountability Act 2013

This Act sets out the main principles and requirements of the Commonwealth Resource Management Framework.

press

A machine that performs the coin striking process.

proof coin

A carefully struck coin using special dies with either a mirror-like or matte finish. These coins are especially struck and the term is not used to describe a well-preserved circulating coin.

proof

A method of manufacture, not a condition or grade.

quality assurance

Ensures the compliance with the requirements set out in the Mint's Quality Management System, which is accredited to international quality management standard ISO 9001, including team visit to the premises of suppliers to audit the company's quality systems align with the Mint QMS.

quality control

Ensures that all coinage blanks, coinage dies, coins and packaging materials that enter or leave the Mint meet the required technical specifications and are of an acceptable quality standard.

quality management system (QMS)

A documented management system to manage the processes to continually improve the effectiveness and efficiency of its performance and meet or exceed quality expectations.

reverse

The opposite side to the obverse. Also known as the 'Tails' side of the coin.

seigniorage

The difference between the face value of a coin and the cost of producing, distributing and retiring it from circulation.

select tender

A procurement procedure in which the procuring agency selects which potential suppliers are invited to submit tenders.

strike a coin

To press a coin.

supply chain

Represents the movement of materials as they flow from their source to the end customer. It is made up of the people, activities, information and resources involved in moving a product from the supplier to the customer.

uncirculated coin

The description of a coin which has not been in circulation. It may however, suffer from minor production faults such as insignificant rim marks or other slight imperfections.

unlimited mintage

No limit on the number of coins being made.

WellMint

The Royal Australian Mint's health and wellness program, incorporating health assessment, activities and health information for Mint employees.

ABBREVIATIONS AND ACRONYMS

| | | | |
|----------------|---|-----------------|---|
| AASB | Australian Accounting Standards Board | HSEMS | Health, Safety and Environment Management System |
| AATSI | Aboriginal and Torres Strait Islander | IFA | Individual Flexibility Arrangement |
| ACT | Australian Capital Territory | IPS | Information Publication Scheme |
| AAI | Accountable Authority Instructions | ISO | International Organization for Standardization |
| ANAO | Australian National Audit Office | IWP | Individual Work Plan |
| ANU | Australian National University | KPI | Key Performance Indicator |
| APS | Australian Public Service | MDC | Mint Directors Conference |
| APSC | Australian Public Service Commission | the Mint | Royal Australian Mint |
| ARPANSA | Australian Radiation Protection and Nuclear Safety Agency | NCC | National Coin Collection |
| AS/NZS | Australian/New Zealand Standard | NZ | New Zealand |
| ATO | Australian Taxation Office | OPA | Official Public Account |
| CCC | Coin Consultative Committee | PBS | Portfolio Budget Statements |
| CSCM | Coin Supply Chain Model | PDS | Performance Development System |
| CEO | Chief Executive Officer | PGPA | <i>Public Governance, Performance and Accountability Act 2013</i> |
| CPRs | Commonwealth Procurement Rules | PNG | Papua New Guinea |
| CSS | Commonwealth Superannuation Scheme | PSS | Public Sector Superannuation Scheme |
| EEGO | Energy Efficiency in Government Operations | PSSap | Public Sector Superannuation Scheme accumulation plan |
| EEO | Equal employment opportunity | QMS | Quality Management System |
| EMS | Environmental Management System | RBA | Reserve Bank of Australia |
| ESL | English Second Language | ROI | Return on investment |
| FBT | Fringe Benefits Tax | SME | Small and medium enterprises |
| FMOs | Finance Minister's Orders | UNESCO | United Nations Educational, Scientific and Cultural Organization |
| FOI | Freedom of Information | WMF | World Money Fair |
| GST | Goods and Services Tax | | |
| HR | Human resources | | |
| HRMIS | Human Resources Management Information System | | |
| HSE | Health, Safety and Environment | | |

LIST OF REQUIREMENTS

| PGPA Rule Reference | Part of Report (page numbers) | Description | Requirement |
|---------------------|--|--|---------------------------------|
| 17AD(g) | Letter of transmittal | | |
| 17AI | iii | A copy of the letter of transmittal signed and dated by accountable authority on date final text approved, with statement that the report has been prepared in accordance with section 46 of the Act and any enabling legislation that specifies additional requirements in relation to the annual report. | Mandatory |
| 17AD(h) | Aids to access | | |
| 17AJ(a) | iv–v | Table of contents. | Mandatory |
| 17AJ(b) | 120 | Alphabetical index. | Mandatory |
| 17AJ(c) | 112 | Glossary of abbreviations and acronyms. | Mandatory |
| 17AJ(d) | 113 | List of requirements. | Mandatory |
| 17AJ(e) | Inside back cover | Details of contact officer. | Mandatory |
| 17AJ(f) | Inside front cover | Entity's website address. | Mandatory |
| 17AJ(g) | Inside front cover | Electronic address of report. | Mandatory |
| 17AD(a) | Review by accountable authority | | |
| 17AD(a) | 5–6 | A review by the accountable authority of the entity. | Mandatory |
| 17AD(b) | Overview of the entity | | |
| 17AE(1)(a)(i) | 1–3 | A description of the role and functions of the entity. | Mandatory |
| 17AE(1)(a)(ii) | 10–11 | A description of the organisational structure of the entity. | Mandatory |
| 17AE(1)(a)(iii) | 7–9 | A description of the outcomes and programmes administered by the entity. | Mandatory |
| 17AE(1)(a)(iv) | 45 | A description of the purposes of the entity as included in corporate plan. | Mandatory |
| 17AE(1)(b) | Not applicable | An outline of the structure of the portfolio of the entity. | Portfolio departments mandatory |

| PGPA Rule Reference | Part of Report (page numbers) | Description | Requirement |
|---------------------|--|---|---------------------------|
| 17AE(2) | Not applicable | Where the outcomes and programs administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, include details of variation and reasons for change. | If applicable, Mandatory |
| 17AD(c) | Report on the Performance of the entity | | |
| | Annual performance Statements | | |
| 17AD(c)(i); 16F | 45–47 | Annual performance statement in accordance with paragraph 39(1)(b) of the Act and section 16F of the Rule. | Mandatory |
| 17AD(c)(ii) | Report on Financial Performance | | |
| 17AF(1)(a) | 26, 47 | A discussion and analysis of the entity's financial performance. | Mandatory |
| 17AF(1)(b) | 8–9 | A table summarising the total resources and total payments of the entity. | Mandatory |
| 17AF(2) | Not applicable | If there may be significant changes in the financial results during or after the previous or current reporting period, information on those changes, including: the cause of any operating loss of the entity; how the entity has responded to the loss and the actions that have been taken in relation to the loss; and any matter or circumstances that it can reasonably be anticipated will have a significant impact on the entity's future operation or financial results. | If applicable, Mandatory. |
| 17AD(d) | Management and Accountability | | |
| | Corporate Governance | | |
| 17AG(2)(a) | 25–26 | Information on compliance with section 10 (fraud systems) | Mandatory |
| 17AG(2)(b)(i) | 25–26 | A certification by accountable authority that fraud risk assessments and fraud control plans have been prepared. | Mandatory |

| PGPA Rule Reference | Part of Report (page numbers) | Description | Requirement |
|---------------------|--------------------------------------|---|--------------------------|
| 17AG(2)(b)(ii) | 25–26 | A certification by accountable authority that appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud that meet the specific needs of the entity are in place. | Mandatory |
| 17AG(2)(b)(iii) | 25–27 | A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud relating to the entity. | Mandatory |
| 17AG(2)(c) | 25–28 | An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance. | Mandatory |
| 17AG(2)(d) – (e) | Not applicable | A statement of significant issues reported to Minister under paragraph 19(1)(e) of the Act that relates to noncompliance with Finance law and action taken to remedy noncompliance. | If applicable, Mandatory |
| | External Scrutiny | | |
| 17AG(3) | 27 | Information on the most significant developments in external scrutiny and the entity's response to the scrutiny. | Mandatory |
| 17AG(3)(a) | 27 | Information on judicial decisions and decisions of administrative tribunals and by the Australian Information Commissioner that may have a significant effect on the operations of the entity. | If applicable, Mandatory |
| 17AG(3)(b) | 27 | Information on any reports on operations of the entity by the Auditor-General (other than report under section 43 of the Act), a Parliamentary Committee, or the Commonwealth Ombudsman. | If applicable, Mandatory |
| 17AG(3)(c) | Not applicable | Information on any capability reviews on the entity that were released during the period. | If applicable, Mandatory |
| | Management of Human Resources | | |
| 17AG(4)(a) | 30 | An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives. | Mandatory |

| PGPA Rule Reference | Part of Report (page numbers) | Description | Requirement |
|--------------------------|-------------------------------|--|--------------------------|
| 17AG(4)(b) | 32–34 | Statistics on the entity's APS employees on an ongoing and non-ongoing basis; including the following: <ul style="list-style-type: none"> • Statistics on staffing classification level; • Statistics on fulltime employees; • Statistics on parttime employees; • Statistics on gender; • Statistics on staff location; • Statistics on employees who identify as Indigenous. | Mandatory |
| 17AG(4)(c) | 30, 33 | Information on any enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the <i>Public Service Act 1999</i> . | Mandatory |
| 17AG(4)(c)(i) | 33 | Information on the number of SES and non-SES employees covered by agreements etc identified in paragraph 17AD(4)(c). | Mandatory |
| 17AG(4)(c)(ii) | 33 | The salary ranges available for APS employees by classification level. | Mandatory |
| 17AG(4)(c)(iii) | 35 | A description of non-salary benefits provided to employees. | Mandatory |
| 17AG(4)(d)(i) | Not applicable | Information on the number of employees at each classification level who received performance pay. | If applicable, Mandatory |
| 17AG(4)(d)(ii) | Not applicable | Information on aggregate amounts of performance pay at each classification level. | If applicable, Mandatory |
| 17AG(4)(d)(iii) | Not applicable | Information on the average amount of performance payment, and range of such payments, at each classification level. | If applicable, Mandatory |
| 17AG(4)(d)(iv) | Not applicable | Information on aggregate amount of performance payments. | If applicable, Mandatory |
| Assets Management | | | |
| 17AG(5) | 29 | An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities. | If applicable, mandatory |

| PGPA Rule Reference | Part of Report (page numbers) | Description | Requirement |
|--|-------------------------------|--|--------------------------|
| Purchasing | | | |
| 17AG(6) | 28 | An assessment of entity performance against the <i>Commonwealth Procurement Rules</i> . | Mandatory |
| Consultants | | | |
| 17AG(7)(a) | 28–29 | A summary statement detailing the number of new contracts engaging consultants entered into during the period; the total actual expenditure on all new consultancy contracts entered into during the period (inclusive of GST); the number of ongoing consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting year on the ongoing consultancy contracts (inclusive of GST). | Mandatory |
| 17AG(7)(b) | 29 | A statement that “ <i>During [reporting period], [specified number] new consultancy contracts were entered into involving total actual expenditure of \$[specified million]. In addition, [specified number] ongoing consultancy contracts were active during the period, involving total actual expenditure of \$[specified million]</i> ”. | Mandatory |
| 17AG(7)(c) | 28–29 | A summary of the policies and procedures for selecting and engaging consultants and the main categories of purposes for which consultants were selected and engaged. | Mandatory |
| 17AG(7)(d) | 29 | A statement that “ <i>Annual reports contain information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the AusTender website.</i> ” | Mandatory |
| Australian National Audit Office Access Clauses | | | |
| 17AG(8) | Not applicable | If an entity entered into a contract with a value of more than \$100 000 (inclusive of GST) and the contract did not provide the Auditor-General with access to the contractor's premises, the report must include the name of the contractor, purpose and value of the contract, and the reason why a clause allowing access was not included in the contract. | If applicable, Mandatory |

| PGPA Rule Reference | Part of Report (page numbers) | Description | Requirement |
|-----------------------------|------------------------------------|--|--------------------------|
| Exempt contracts | | | |
| 17AG(9) | 28 | If an entity entered into a contract or there is a standing offer with a value greater than \$10 000 (inclusive of GST) which has been exempted from being published in AusTender because it would disclose exempt matters under the FOI Act, the annual report must include a statement that the contract or standing offer has been exempted, and the value of the contract or standing offer, to the extent that doing so does not disclose the exempt matters. | If applicable, Mandatory |
| Small business | | | |
| 17AG(10)(a) | 28 | A statement that “[Name of entity] supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance’s website.” | Mandatory |
| 17AG(10)(b) | 28 | An outline of the ways in which the procurement practices of the entity support small and medium enterprises. | Mandatory |
| 17AG(10)(c) | 29 | If the entity is considered by the Department administered by the Finance Minister as material in nature—a statement that “[Name of entity] recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury’s website.” | If applicable, Mandatory |
| Financial Statements | | | |
| 17AD(e) | 48–92 | Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act. | Mandatory |
| 17AD(f) | Other Mandatory Information | | |
| 17AH(1)(a)(i) | 29–30 | If the entity conducted advertising campaigns, a statement that “During [reporting period], the [name of entity] conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available at [address of entity’s website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance’s website.” | If applicable, Mandatory |

| PGPA Rule Reference | Part of Report (page numbers) | Description | Requirement |
|---------------------|-------------------------------|---|--------------------------|
| 17AH(1)(a)(ii) | Not applicable | If the entity did not conduct advertising campaigns, a statement to that effect. | If applicable, Mandatory |
| 17AH(1)(b) | 28 | A statement that “Information on grants awarded to [name of entity] during [reporting period] is available at [address of entity’s website].” | If applicable, Mandatory |
| 17AH(1)(c) | 34 | Outline of mechanisms of disability reporting, including reference to website for further information. | Mandatory |
| 17AH(1)(d) | Not applicable | Website reference to where the entity’s Information Publication Scheme statement pursuant to Part II of FOI Act can be found. | Mandatory |
| 17AH(1)(e) | 27–28 | Correction of material errors in previous annual report | If applicable, mandatory |
| 17AH(2) | 34–36 | Information required by other legislation: <i>Work Health and Safety Act 2011</i> ; | Mandatory |
| | 36 | Australian Radiation Protection and Nuclear Safety Agency (ARPANSA) requirements | |
| | 37–43 | <i>Environmental performance (Environment Protection and Biodiversity Conservation Act 1999)</i> | |

INDEX

A

abbreviations, 112
 access clauses in contracts, 28
 Accountable Authority Instructions, 28
 accreditation and certification, 6, 46
 achievements *see* performance report
 acronyms, 112
 ACT Chief Minister's Export Awards 2015, 16
 administrative tribunal decisions, 27
 advertising and market research, 29–30
 advice to Portfolio Ministers, 8, 10
 Advisory Board, 25, 27
 ambassadors for the Australian Olympic and Paralympic Team Coin Programs, 21
 annual report 2014–15 corrections, 27–28
 Anzac Centenary Coin Program, 5, 6, 10, 13, 47
 apprenticeships, 32
 assets and asset management, 26, 29
 Audit Committee, 25, 27
 audits
 ANAO audit, 26, 49–50
 internal, 27
 AusTender, 28
 Australia Zoo, 15
 Australian Broadcasting Corporation, 15
Australian Fabulous Four series, 14
 Australian Football League souvenirs, 15, 21
 Australian Honours System, 40th anniversary coin, 18
 Australian Maritime Safety Authority, 15
 Australian National Audit Office
 access clauses, 28
 audit report, 26, 49–50
 Australian Olympic and Paralympic Team Coin Programs,
 5, 6, 10, 14, 16, 47
 ambassadors, 21
 production, 23

Australian Public Service Values and Code of Conduct,
 25, 27

Australian Radiation Protection and Nuclear Safety
 Agency notifiable incidents, 36

awards bestowed on the Mint or its products, 5, 16

B

banks

 coin supply chain, 26, 47
 demand for circulating coin, 5, 10
 value of coin supplied to, 26

Berlin Buddy Bear coin, 15

Building Energy Management System, 40

Burke, Simon, 21

business performance *see* financial performance

C

Cassiopeia coin, 13

certifications, 6, 46

change management, 6–7 *see also* LEAN program

The Changeover exhibition, 18

The Changeover Tour (road show), 21, 26

Chief Executive Officer

 review of year, 4–11
 Secretary-General of the MDC, 1

CHRIS21 information system, 30

circulating coin

 coloured, 5, 13, 15, 47
 commemorative coins, 13
 demand, 2, 5, 6, 10, 47
 inventory, 26
 Pacific Island countries, 2, 14, 47, 97
 Papua New Guinea, 5, 14, 15, 97
 production, 2014–15 (correction), 28
 production, 2015–16, 96–97
 purchases from Mint, 2014–15 (correction), 28
 purchases from Mint, 2015–16, 95
 revenue, 5, 6
 supply to commercial banks, 26, 47
 themes, 13

Timor-Leste, 5, 47

trends in usage, 2, 6

see also collectible coins; commemorative coins

City of Sydney partnership, 15

Coin Consultative Committee, 26

coin programs

 circulating *see* circulating coin
 collector *see* collectible coins
 commemorative *see* commemorative coins
 history and art of Australian coinage (book), 21,
 23
 see also numismatic business

Coin Supply Chain Model, 26

collectible coins

 production, 99–107
 themes, 13–14
 types, 13

collector loyalty programs, 21

coloured coins, 5, 13, 15, 23, 47

Comcare notifiable incidents, 36

commemorative coins

 Australian, 13–14
 Pacific Island countries, 2, 14–15
 see also collectible coins; numismatic business

commercial activities

 components, 10
 growth, 5, 10, 47
 revenue, 5, 6, 47
 see also international business

commercial banks

 coin supply chain, 26, 47
 demand for circulating coin, 5, 10
 value of coin supplied to, 26

committees, 25 *see also* Audit Committee; Coin
 Consultative Committee

Commonwealth Disability Strategy, 34

Commonwealth Heritage List, 1

Commonwealth Procurement Rules, 28

Commonwealth Risk Management Policy, 25

community engagement, 21, 27

competency assessments, 32

Complete, Simplify and Satisfy mantra, 7 *see also* LEAN
 program

compliance reporting, 26

consultancies

 2014–15 (correction), 27
 2015–16, 28–29

continuous improvement *see* LEAN program

convict love tokens, 13

Cooee March centenary, 15

Cook Islands, 2, 14, 15, 97

corporate governance, 25–26

corporate minting programs, 14

corrections to 2014–15 annual report, 27–28

crocodile coins, 15

custom minting, 14

D

decimal currency 50th anniversary, 1, 5, 13, 18, 21, 47

decision-making powers *see* corporate governance

definitions (glossary) and abbreviations, 109–112

Department of Parliamentary Services, 18

Department of Veterans' Affairs, Anzac Centenary logo, 13

disability reporting, 34

discretionary grant programs, 28

diversity in the workforce, 32–34

E

education programs and resources, 10, 16, 18

electricity consumption, 37, 38

 reduction due to solar energy system, 40

electronic newsletter, 21

Elizabeth II, Queen

 Longest Reigning Commonwealth Monarch
 commemorative coins, 13, 16

EMK, 14

energy management, 37–43

Enlighten festival, 18

enterprise agreements, 30, 33

environmental performance, 37–43

equal employment opportunity target groups, 33, 34
 ethical standards, 25, 27
Excellence in Currency Awards, 5, 16
 exempt contracts, 28
 exhibitions, 18
 travelling exhibition (road show), 21, 26
 external scrutiny, 27

F

Facebook, 23
 fiftieth anniversary celebrations
 decimal currency, 1, 5, 13, 18, 21, 47
 Play School, 14, 15, 21
 Royal Australian Mint, 1
 Fiji, 2
 financial performance
 commercial result, 26, 47
 report on, 26
 resource statement, 9
 resources for Outcome, 8
 financial statements, 48–92
 ANAO report, 26, 49–50
 Fine Jewellery Collection, 23
 football coin programs, 15, 21
 foreign country coin production *see* international business
 fortieth anniversary of the Australian Honours System, 18
 fraud prevention and control, 25–26
 freedom of information, Mint exemption, 27

G

Gilgandra Shire Council, 15
 glossary, 109–111
 governance, 25–26
 grant programs, 28

H

Health, Safety and Environment Management System, 35
 health, safety and wellbeing, 34–36
 history and art of Australian coinage (book), 21, 23

Holden Heritage Collection, 6
 human resources management, 30–36

I

incident reporting, 36
 Indigenous employees, 34
 Individual Work Plans, 30
 information technology
 Building Energy Management System, 40
 CHRIS21 information system, 30
 Health, Safety and Environment Management System, 35
 injury prevention strategy *see* work health and safety
Inside the Vault (Rees), 21, 23
 Instagram, 23
 internal audits, 27 *see also* Audit Committee
 International Association of Currency Affairs' *Excellence in Currency Awards*, 5, 16
 international business
 investor products, 5, 14, 47
 Pacific Island countries, 2, 5, 14–15, 97
 performance, 1, 5, 10, 14–15, 47
 internships, 32
 inventory control and management, 26
 investor products, 5, 14, 47

J

jewellery, 23, 98
 judicial decisions, 27

K

key outcomes, 8–9
 key performance indicators, 9, 30
 results against performance targets, 45–47
 key priorities, 8
 key strategies, 2, 8
 Kids Media, 18

L

leadership program, 6, 30, 32

leadership values, 3
 LEAN program, 5, 6–7, 23
 Legends Loyalty Program, 21
 letter of transmittal, iii
 liabilities, 26
 lighting, 37
 loyalty programs, 21

M

manufacturing process improvement *see* LEAN program
 market research, 29–30
 marketing and promotion, 21, 23
 Material Requirements Planning (MRP) solution, 6
 medallion production, 98
 ministerial responsibilities met, 10
 Mint Consultative Committee, 30
 Mint Directors Conference (MDC)
 Secretary-General position, 1
 Technical Committee Lifetime Honorary President, 1
 Mint Enterprise Agreement 2016–19, 30
 mission statement, 2
 mobile presses, 18, 21
 monarchy
 Longest Reigning Commonwealth Monarch commemorative coins, 13, 16

N

National Coin Collection, 1, 16, 29
 value of, 26
 National Disability Strategy 2010–2020, 34
 National Rugby League souvenirs, 15, 21
 native animals, 14
 natural gas consumption, 37, 39
 Netball World Cup Sydney 2015, 15
 New Zealand Post, 14
 News Corp Australia, 5, 14, 47
 newsletter, 21
 non-salary benefits, 35

Northern Sky – Cassiopeia coin, 13
 notifiable incidents, 36
 numismatic business *see* commercial activities

O

occupational health and safety *see* work health and safety
 Olympic Team (2016) Coin Program *see* Australian Olympic and Paralympic Team Coin Programs
 open days, 1, 5, 21, 47
 organisational chart, 10
 Outcome
 key outcomes, 8–9
 key priorities, 8
 Outcome and Program structure, 7–9
 Program 1.1, Royal Australian Mint, 7–9
 resource statement, 9
 resources for Outcome, 8
 outlook, 6–7
 outside participation *see* community engagement; stakeholder engagement
 overview of Mint, 1–3

P

Pacific Island countries, 2, 5, 14–15
 coin production statistics, 97
 packaging, 13, 14, 28, 40
 PAMP SA, 14
 Papua New Guinea, 5, 14, 15, 97
 Paralympic Team coins *see* Australian Olympic and Paralympic Team Coin Programs
 partnerships, 15–16, 18
 Performance Development Scheme, 30
 performance report, 7–11
 analysis of performance, 10, 47
 annual performance statements, 45–47
 highlights and achievements, 12–23
 key performance indicators, 9
 results against performance targets, 45–47
 Play School 50th anniversary coins, 14
 Play School 50th anniversary coins., 15, 21

pop-up shops, 18, 21
 Portfolio Budget Statements, outcome and program, 7
 portfolio membership, 1
 priorities, 8 *see also* Outcome
 procurement, 28
 production efficiencies *see* LEAN program
 production volumes
 2014–15 (correction), 28
 2015–16, 96–107
 products *see* circulating coin; collectible coins;
 commemorative coins; medallion production; tokens
 (production)
 profitability *see* financial performance
 Program 1.1, Royal Australian Mint, 7–9
Public Governance, Performance and Accountability Act
2013, 1, 25, 45
 public programs, 18
Public Service Act 1999, 32
 public tours, 18 *see also* visitor numbers
 purchases from Mint *see* circulating coin
 purchasing, 28

Q

Quizling (educational application), 18

R

recruitment and succession planning, 30, 32
 recycling, 40, 43
 Rees, Peter, *Inside the Vault*, 21, 23
 remediation of information published in previous annual
 report (), 27–28
 Remembrance Day 2015 coin, 13
 remuneration, 30, 33
 resource statement, 9
 resources for Outcome, 8
 risk management, 6, 25–26
 road show, 21, 26
 role and responsibilities of Mint, 1, 9
 roof skylights, 37

Royal Australian Mint Building, 1
 Royal Canadian Mint, 16
 Royal Mint (UK), 16

S

safety *see* work health and safety
 salaries *see* remuneration
 Samoa, 2, 15
 school student visits, 10, 18 *see also* education
 programs and resources
 scrutiny *see* external scrutiny; internal audits
 seigniorage, 5, 9, 10, 26, 47
 Senior Executive Service
 2014–15 numbers (correction), 27
 remuneration, 33
 Senior Management Team, 10, 11, 25, 27
 Service Charter, 3, 10
 shops (pop-up shops) and mobile presses, 18, 21
 small business participation in the procurement market,
 28
 Social Club, 34
 social media, 23
 Solar Applied Materials Technology Corp, 14
 solar panel photovoltaic energy systems, 40, 41
 Solomon Islands, 2, 14, 97
 special interest group tours, 18
 special projects, 23
 staff
 apprenticeships, 32
 average staffing level, 8
 competency assessments, 32
 consultative arrangements, 30
 diversity, 33–34
 employment arrangements, 32–33
 gender, 32
 health, safety and wellbeing, 34–36
 performance management, 30
 profile (statistics), 32–34
 recruitment and succession planning, 30, 32
 salary ranges, 33

 training, 25, 27, 30, 32, 35
 workforce planning, 30
 stakeholder engagement, 27 *see also* Coin Consultative
 Committee
 standards accreditation and certification, 6, 46
 strategic intent, 2
 strategic plan, 6
 students
 apprentices and interns, 32
 educational resources, 16, 18
 school student visitors, 10, 18–19
 succession planning, 30, 32
 Sydney (City of Sydney) partnership, 15
 Sydney Opera House Trust, 15

T

technical advice and assistance, 2
 tenders *see* procurement
 terminology (glossary) and abbreviations, 109–112
 Timor-Leste, 5, 47
 tokens (production), 98
 Tonga, 2, 14
 tourism, 16 *see also* education programs and resources
 tours, 18
 trade unions, 30
 training and development, 25, 27, 30, 32, 35
 Treasury portfolio
 Mint advice to Portfolio Ministers, 8, 10
 Mint as listed entity, 1
 Twitter, 23

U

unions, 30

V

Valour, Courage, Bravery exhibition, 18
 value of coin supplied to banks, 26
 value of National Coin Collection, 26
 values (corporate), 3, 25, 27

Vanuatu, 2, 14, 97
 vision statement, 2
 visitor numbers, 5, 10, 16–18, 19, 46, 47

W

waste management, 40, 43
 water consumption, 40, 42
 website address, ii
 WellMint program, 35
 Woolworths Ltd, 5, 14, 16, 47
 work health and safety, 6, 34–36
 workforce planning, 30
 workplace diversity, 32–34
 workplace relations, 30
 World Money Fair, Berlin, 15, 21
World of Coin Design exhibition, 18

Y

Year of the Monkey coins, 14

Street address

Royal Australian Mint
Denison Street
Deakin ACT 2600
AUSTRALIA

Postal Address

Royal Australian Mint
Denison Street
Deakin ACT 2600
AUSTRALIA

Telephone

Customer service – 1300 652 020
Switchboard – (02) 6202 6999 within Australia
+61 2 6202 6999 international

Facsimile

(02) 6202 6954 within Australia
+61 2 6202 6954 international

Internet

www.ramint.gov.au

Email

info@ramint.gov.au

Chief Executive's Office

Telephone (02) 6202 6826
Facsimile (02) 6202 6935

Visiting the Mint

Visitors are welcome 8.30 am–5.00 pm on weekdays,
and 10.00 am–4.00 pm on weekends and public
holidays. The Mint is closed on Christmas Day and
Good Friday.

Web location

<https://www.ramint.gov.au/annual-reports>



Australian Government

Royal Australian Mint