

Financial summary

Revenue 2002/03

\$196.1 million

Total Government and statutory funding

Under the *Country Fire Authority Act 1958*, CFA receives funding of annual expenditure through the Victorian Government, insurance companies (through insurance premiums) and from other companies under Section 80A of the Act. During 2002/03 statutory contributions totalled \$165.5 million, comprising \$35.1 million from the State Government, \$121.0 million from insurance companies, and \$9.4 million from other companies. In addition, the Government provided supplementary funding of \$18.1 million, most of which was reimbursement of additional extraordinary costs incurred by CFA during the campaign fires in North East Victoria and East Gippsland.



Sales of goods and services

CFA received \$2.9 million during the year from the provision of goods and services to external bodies. These include the provision of external training services, fire protection fees, alarm monitoring, dangerous goods inspections, and hazardous materials incidents.

Other revenue

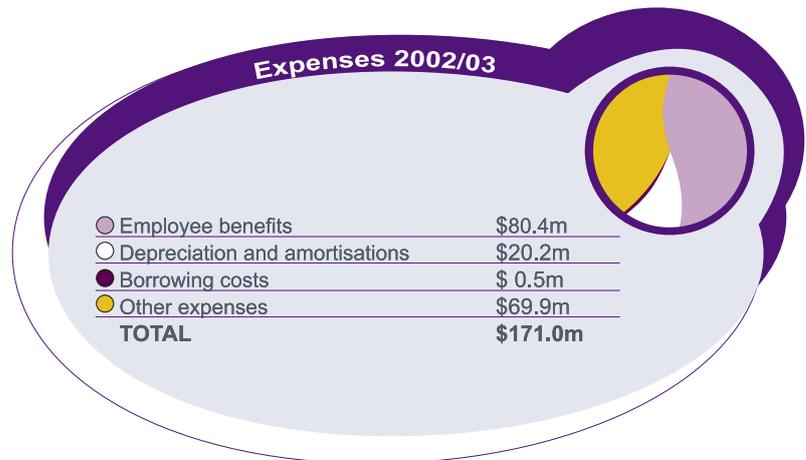
Other revenues during the year totalled \$9.6 million from a number of sources including the Transport Accident Commission, the Commonwealth Government, interest, and public donations.

Expenses 2002/03

\$171.0 million

Employee benefits

During 2002/03 \$80.4 million was spent on salaries and other employee expenses such as superannuation, payroll tax, WorkCover premiums and employee support activities.



Depreciation and amortisation

The written down value of CFA's assets at cost or valuation, including land, buildings, leasehold improvements, vehicles, plant and machinery totalled \$373.3 million. Depreciation expense totalled \$20.2 million during 2002/03.

Borrowing costs

Interest payments on loans with Treasury Corporation of Victoria totalled \$543,000 during 2002/03.

Other expenses

CFA spent \$69.9 million on general operating costs and other expenses during 2002/03. These included motor vehicle running costs (\$7.2 million), communications and alarms (\$7.9 million), training (\$3.3 million), uniforms and equipment (\$5.8 million), aircraft hire (\$9.5 million), buildings and other operating and maintenance costs (\$14.6 million), and other volunteer and brigade support expenses (\$2.4 million).

Assets (at 30 June 2003)

\$402.5 million

Vehicles

After depreciation, the value of CFA vehicles totalled \$102.6 million. Of these, CFA-owned vehicles are valued at \$85.7 million, and brigade-owned vehicles are valued at \$16.8 million.

Plant, machinery and equipment

This includes computer hardware, software and licence fees, and communications equipment to a total value of \$22.7 million.

Buildings and leasehold improvements

The value of CFA-owned buildings and improvements made to leasehold buildings totalled \$174.6 million.

Freehold land

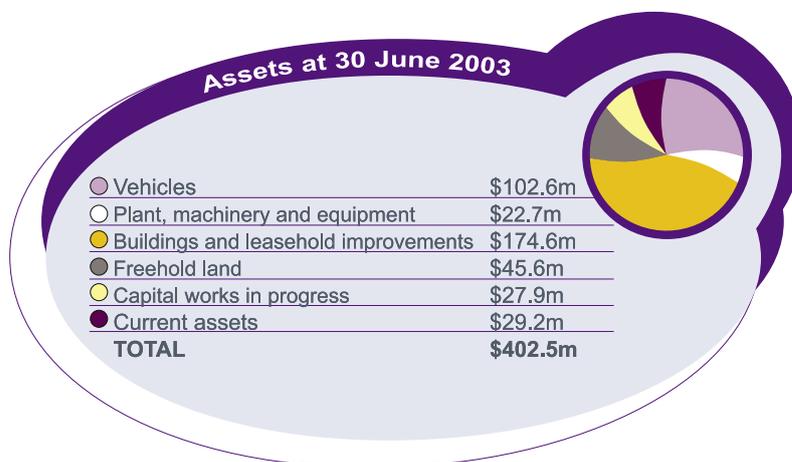
The value of land owned by CFA totalled \$45.6 million.

Capital works in progress

At the end of the year, the value of expenditure on capital works such as land, buildings, firefighting vehicles and plant, machinery and equipment, but which were not yet completed, totalled \$27.9 million.

Current assets

Current assets totalled \$29.2 million and included inventories and goods held in store (\$5.0 million), money owed to CFA (\$11.5 million) and cash at bank, deposits and prepayments made by CFA (\$12.6 million).



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Liabilities (at 30 June 2003)

\$52.4 million

Borrowings

There is a core borrowing facility from Treasury Corporation which provides CFA's short to medium term cash requirements. At 30 June 2003, these totalled \$2.0 million.

Employee entitlements

A total of \$23.7 million is accrued for annual leave and long service leave payments to staff. Some of this will become payable at a future date.

Goods or services not yet paid for

At the end of the year a total of \$21.6 million was owed for goods or services already provided but not yet paid for.

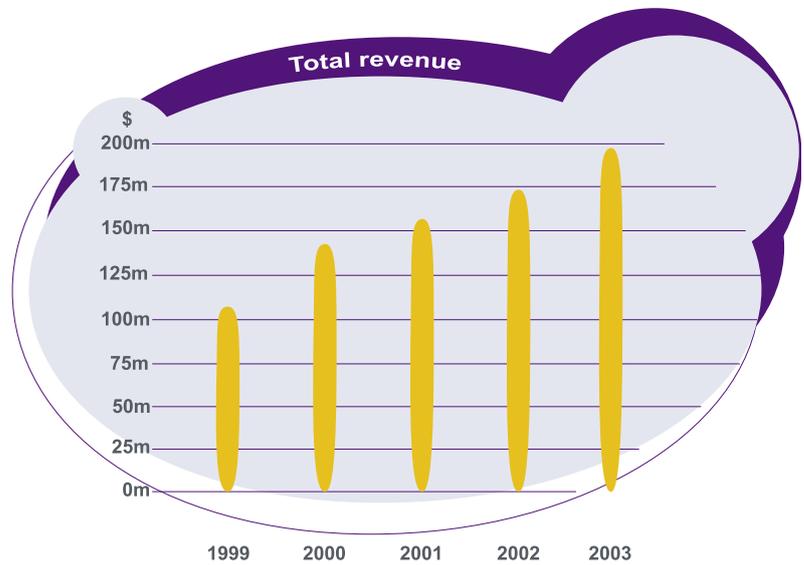
Provision for volunteer compensation

Based on previous claims and actuarial calculations, a total of \$5.1 million has been estimated to allow for compensation for injuries to volunteers in previous years.



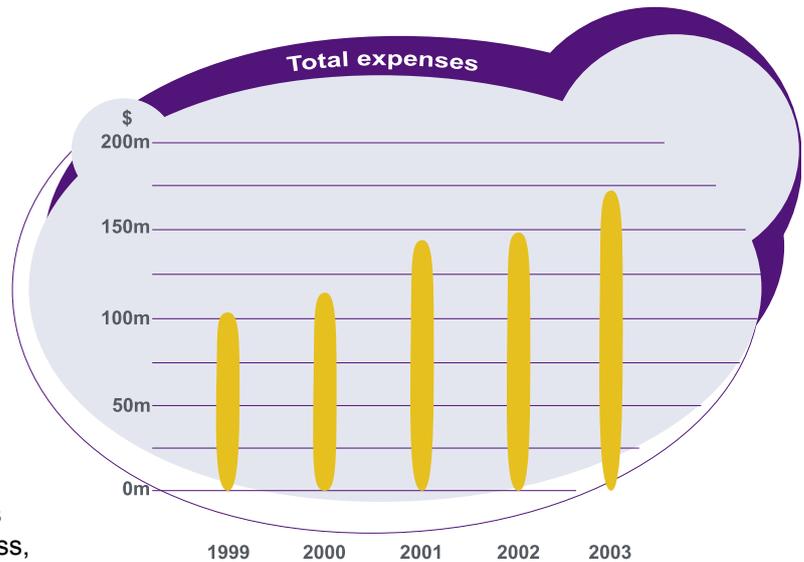
Total revenue

In 2002/03 CFA's revenue totalled \$196.1 million which included \$14.8 million for the North East Victoria and East Gippsland fires. Over the past five years revenue has increased by 80%, reflecting increased activity levels and significant improvements to firefighting infrastructure throughout the State. Revenue over the past three years reflects Strategic Resource Initiative (SRI) funding.



Total expenses

During the year, CFA's expenses totalled \$171.0 million which includes expenditure of \$14.8 million related to the North East Victoria and East Gippsland fires. Expenses over the past five years have increased by 67%. During 2002/03 expenses represented 87% of total revenue, unchanged from the previous year. The significant increase in expenses for the past three years reflects the SRI programs for improving operational preparedness, skills enhancement and volunteer support activities.

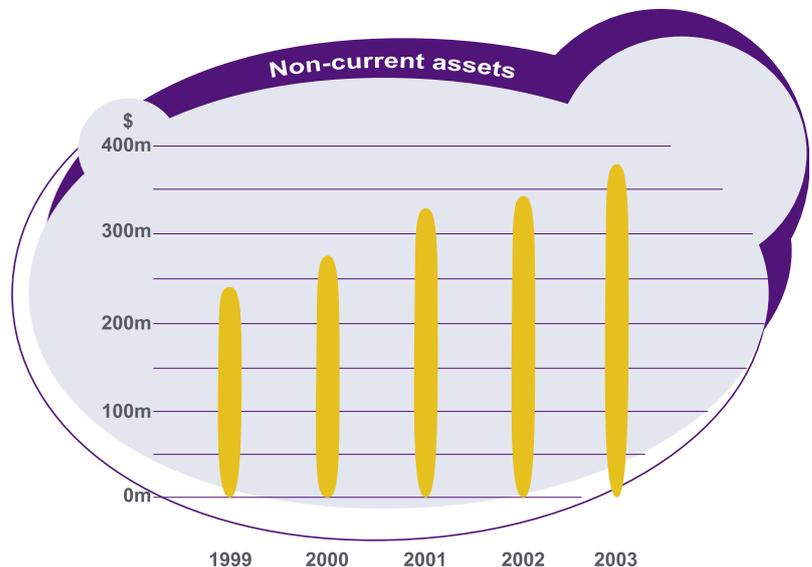


Important note:

Each year, the contributions received from the State Government and insurance companies provide funding for that year's recurrent expenditure and capital works. These contributions are classified as revenue. After deducting recurrent expenses for the year, CFA's net result is determined. This net result is utilized as the major source of funding for the CFA capital program. In 2002/03, CFA's net result was a surplus of \$25.1 million.

Non-current assets

Non-current assets include all infrastructure – the value of land, buildings, vehicles, plant, machinery and equipment, and capital works in progress. The total of these assets at 30 June 2003 was \$373.3 million. Over the past five years the value of CFA's non-current assets, which includes revaluations, has increased by almost 51%.



These charts have been compiled from the Statement of Financial Performance, Statement of Financial Position, and associated notes to these accounts for the financial year 2002/03. Figures have been rounded in this summary.