

2009-10 Model Financial Statement Training

22 April 2010

Handouts

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**‘Example Agency’
Operating Statement
For the Year Ended 30 June 2010**

| Reference | | Note No. | Actual 2010 \$'000 | Original Budget 2010 \$'000 | Actual 2009 \$'000 |
|--|--|-------------|--------------------------|--------------------------------------|--------------------------|
| | Income | | | | |
| | <i>Revenue</i> | | | | |
| AASB 101 para 85 | Government Payment for Outputs | 4 | 304,815 | 303,354 | 295,430 |
| AASB 101 para 82(a) | User Charges – ACT Government | 5 | 17,208 | 13,200 | 15,707 |
| AASB 101 para 85 and AASB 1004 para 63(a) | User Charges – Non-ACT Government | 5 | 12,442 | 9,267 | 11,309 |
| AASB 101 para 85 | Interest | 6 | 1,975 | 687 | 1,180 |
| AASB 101 para 85 AASB 118 para 35 (b) (iii) | Resources Received Free of Charge | 7 | 2,025 | 116 | 610 |
| AASB 101 para 85 AASB 1004 para 62 | Other Revenue | 8 | 4,945 | 238 | 4,204 |
| AASB 101 para 85 | Total Revenue | | 343,410 | 326,862 | 328,440 |
| | <i>Gains</i> | | | | |
| AASB 101 para 85 | Gains on Investments | 9 | 1,970 | 2,689 | 2,630 |
| AASB 101 para 34 (a) AASB 101 para 85 | Other Gains | 10 | 15,997 | 13,200 | 21,500 |
| AASB 101 para 85 | Total Gains | | 17,967 | 15,889 | 24,130 |
| AASB 101 para 85 | Total Income | | 361,377 | 342,751 | 352,570 |
| | Expenses | | | | |
| AASB 101 para 85 & 102 | Employee Expenses | 11 | 74,794 | 75,153 | 72,114 |
| AASB 101 para 85 & 102 | Superannuation Expenses | 12 | 11,912 | 12,039 | 11,132 |
| AASB 101 para 85 & 102 | Supplies and Services | 13 | 110,750 | 92,045 | 108,018 |
| AASB 101 para 85 & 102 | Depreciation and Amortisation | 14 | 97,039 | 98,089 | 93,564 |
| AASB 101 para 85 & 102 | Grants and Purchased Services | 15 | 72,348 | 73,665 | 62,928 |
| AASB 101 para 82 (b) | Borrowing Costs | 16 | 1,408 | 1,416 | 1,747 |
| AASB 101 para 85 & 102 | Other Expenses | 17 | 14,820 | 8,530 | 7,671 |
| AASB 101 para 85 | Total Expenses | | 383,071 | 360,937 | 357,174 |
| AASB 101 para 82 (c) | Share of Operating Profit from Joint Venture accounted for using the Equity Method | 42 | 4,104 | 5,110 | 6,831 |
| AASB 101 para 82 (f) | Operating Surplus/(Deficit) | | (17,590) | (13,076) | 2,227 |
| | Other Comprehensive Income | | | | |
| AASB 101 para 85 AASB 101 para 82(g) | Increase/(decrease) in Asset revaluation Surpluses | | 27,396 | 18,847 | 182,058 |
| AASB 101 para 82(h) | Increase/(decrease) in Asset revaluation Surpluses Attributable to Joint Ventures | | 2,500 | - | 2,000 |
| AASB 101 para 85 | Total Other Comprehensive Income | | 29,896 | 18,847 | 184,058 |
| AASB 101 para 82(i) | Total Comprehensive Income | | 12,306 | 5,771 | 186,285 |

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

**‘Example Agency’
Balance Sheet
As at 30 June 2010**

| Reference | Note No. | Actual 2010 \$'000 | Original Budget 2010 \$'000 | Actual 2009 \$'000 | Actual ¹ 2008 \$'000 |
|----------------------|----------|--------------------------------|--------------------------------------|--------------------------|---------------------------------------|
| | | Current Assets | | | |
| AASB 101 para 60 | | | | | |
| AASB 101 para 54 (i) | 21 | 19,879 | 10,029 | 8,471 | 2,904 |
| AASB 101 para 54 (h) | 22 | 6,267 | 3,080 | 2,596 | 2,028 |
| AASB 101 para 54 (g) | 24 | 1,852 | 2,284 | 1,965 | 2,165 |
| AASB 101 para 54 (j) | 25 | 5,021 | 1,100 | 750 | 177 |
| AASB 101 para 55 | 30 | 2,164 | 4,650 | 2,312 | 2,465 |
| AASB 101 para 55 | | 35,183 | 21,143 | 16,094 | 9,739 |
| | | Non-Current Assets | | | |
| AASB 101 para 60 | | | | | |
| AASB 101 para 54 (h) | 22 | 25,221 | 16,979 | 16,385 | 14,197 |
| AASB 101 para 54 (d) | 23 | 1,711 | 3,842 | 1,141 | 311 |
| AASB 101 para 54 (e) | 42 | 84,340 | 80,329 | 73,581 | 60,595 |
| AASB 101 para 54 (a) | 26 | 3,696,213 | 3,703,513 | 3,699,882 | 3,526,170 |
| AASB 101 para 54 (b) | 27 | 29,344 | 28,543 | 25,751 | 17,315 |
| AASB 101 para 54 (c) | 28 | 635 | 1,918 | 720 | 820 |
| AASB 101 para 55 | 29 | 73,393 | 49,468 | 57,123 | 35,485 |
| AASB 101 para 55 | 30 | 413 | 294 | 625 | 822 |
| AASB 101 para 55 | | 3,911,270 | 3,884,886 | 3,875,208 | 3,655,715 |
| | | 3,946,453 | 3,906,029 | 3,891,302 | 3,665,454 |
| | | Current Liabilities | | | |
| AASB 101 para 60 | | | | | |
| AASB 101 para 54 (k) | 31 | 10,108 | 15,682 | 10,360 | 10,174 |
| AASB 101 para 54 (m) | 32 | 384 | 314 | 428 | 272 |
| AASB 101 para 54 (m) | 32 | 2,800 | 2,451 | 2,855 | 2,694 |
| AASB 101 para 54 (l) | 33 | 30,437 | 22,009 | 22,486 | 18,917 |
| AASB 101 para 54 (l) | 34 | 5,194 | 2,243 | 1,246 | - |
| AASB 101 para 55 | 35 | 9,379 | 11,896 | 5,820 | 4,282 |
| AASB 101 para 55 | | 58,302 | 54,595 | 43,195 | 36,339 |
| | | Non-Current Liabilities | | | |
| AASB 101 para 60 | | | | | |
| AASB 101 para 54 (k) | 31 | 2,581 | 3,997 | 2,582 | 2,543 |
| AASB 101 para 54 (m) | 32 | 7,740 | 9,083 | 8,676 | 10,619 |
| AASB 101 para 54 (m) | 32 | 4,200 | 5,010 | 4,283 | 4,042 |
| AASB 101 para 54 (l) | 33 | 1,123 | 721 | 798 | 585 |
| AASB 101 para 54 (l) | 34 | 1,732 | 1,154 | 416 | - |
| AASB 101 para 55 | 35 | 407 | 214 | 255 | 225 |
| AASB 101 para 55 | | 17,783 | 20,179 | 17,010 | 18,014 |
| | | 76,085 | 74,774 | 60,205 | 54,353 |
| | | 3,870,368 | 3,831,255 | 3,831,097 | 3,611,101 |
| | | Equity | | | |
| AASB 101 para 55 | | | | | |
| | | 3,484,770 | 3,487,015 | 3,490,625 | 3,470,432 |
| | 36 | 246,113 | 219,985 | 216,217 | 32,159 |
| | | 139,485 | 124,255 | 124,255 | 108,510 |
| | | 3,870,368 | 3,831,255 | 3,831,097 | 3,611,101 |

1) See Note 3 for details.

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

Handout 3: Statement of Changes in Equity and Equity Note

‘Example Agency’ Statement of Changes in Equity For the Year Ended 30 June 2010

| Reference | Note No. | Accumulated Funds Actual 2010 \$'000 | Asset Revaluation Surplus Actual 2010 \$'000 | Other Reserves Actual 2010 \$'000 | Total Equity Actual 2010 \$'000 | Original Budget 2010 \$'000 |
|--|-------------|---|---|---|---|--------------------------------------|
| Balance Total Equity at the Beginning of the Reporting Period | | 3,490,625 | 216,217 | 124,255 | 3,831,097 | 3,794,482 |
| <i>Accumulated Funds</i> | | | | | | |
| AASB 101 para 96 (b) | | Net Effect of Change in Accounting Policy | - | - | - | - |
| AASB 101 para 96 (b) | | Net Effect of a Correction of an Error | - | - | - | - |
| <i>Reserves</i> | | | | | | |
| AASB 101 para 96 (b) | | Net Effect of Change in Accounting Policy | - | - | - | - |
| AASB 101 para 96 (b) | | Net Effect of a Correction of an Error | - | - | - | - |
| Restated Total Equity at the Beginning of the Reporting Period | | 3,490,625 | 216,217 | 124,255 | 3,831,097 | 3,794,482 |
| Comprehensive Income | | | | | | |
| AASB 101 para 106(d)(i) | 36 | Operating Surplus /(Deficit) | (17,590) | - | (17,590) | (13,076) |
| AASB 101 para (d)(106ii) | 36 | Increase/(Decrease) in the Asset Revaluation Surpluses Reserve | - | 29,896 | 29,896 | 18,847 |
| Other Comprehensive Income | | - | - | - | - | - |
| AASB 101 para 106 (a) | | Total Comprehensive Income | (17,590) | 29,896 | - | 12,306 |
| Operating (Deficit) | | (17,590) | 29,896 | - | 12,306 | 5,771 |
| Transfers to/(from) reserves | | (15,230) | - | 15,230 | - | - |
| Transactions Involving Owners Equity Holders Affecting Accumulated Funds | | | | | | |
| AASB 101 para 106 (d)(iii) | 36 | Capital Injections | 13,500 | - | 13,500 | 15,952 |
| AASB 101 para 106 (d)(iii) | 36 | Capital (Distributions) | (5,500) | - | (5,500) | (5,000) |
| AASB 101 para 106 (d)(iii) | 36,38 | Net Assets transferred in as part of an Administrative Restructure | 19,195 | - | 19,195 | 20,050 |
| AASB 101 para 106 (d)(iii) | 36,38 | Net Assets transferred out as part of an Administrative Restructure | - | - | - | - |
| AASB 101 para 107 AASB 101 para 106 (d)(iii) | 36 | Dividend Approved | (230) | - | (230) | - |
| Total Transactions Involving Owners Equity Holders Affecting Accumulated Funds | | 26,965 | - | - | 26,965 | 31,002 |
| Balance Total Equity at the End of the Reporting Period | | 3,484,770 | 246,113 | 139,485 | 3,870,368 | 3,831,255 |

Handout 3: Statement of Changes in Equity and Equity Note

| Reference | Note No. | Accumulated Funds Actual 2009 \$'000 | Asset Revaluation Surplus Actual 2009 \$'000 | Other Reserves Actual 2009 \$'000 | Total Equity Actual 2009 \$'000 |
|--|-------------|--|---|---|--|
| Balance Total Equity at the Beginning of the Reporting Period | | 3,470,432 | 32,159 | 108,510 | 3,611,101 |
| <i>Accumulated Funds</i> | | | | | |
| AASB 101 para 106 (b) | | - | - | - | - |
| AASB 101 para 106 (b) | | 367 | 453 | - | 520 |
| <i>Reserves</i> | | | | | |
| AASB 101 para 96 (b) | | - | - | - | - |
| AASB 101 para 96 (b) | | - | - | - | - |
| Restated Total Equity at the Beginning of the Reporting Period | | 3,470,432 | 32,159 | 108,510 | 3,611,101 |
| Comprehensive Income | | | | | |
| AASB 101 para 106(d)(i) | 36 | 2,227 | - | - | 2,227 |
| AASB 101 para 106(d)(ii) | 36 | - | 184,058 | - | 184,058 |
| Other Comprehensive Income | | - | - | - | - |
| AASB 101 para 106 (a) | 36 | 2,227 | 184,058 | - | 186,285 |
| Transfers to/(from) reserves | | (15,745) | - | 15,745 | - |
| Transactions Involving Owners Equity Holders Affecting Accumulated Funds | | | | | |
| AASB 101 para 106 (d)(iii) | 36 | 7,500 | - | - | 7,500 |
| AASB 101 para 106 (d)(iii) | 36 | (17,453) | - | - | (17,453) |
| AASB 101 para 106 (d)(iii) | 36,38 | 43,894 | - | - | 43,894 |
| AASB 101 para 106 (d)(iii) | 36,38 | - | - | - | - |
| AASB 101 para 107 AASB 101 para 106 (d)(iii) | 36 | (230) | - | - | (230) |
| Total Transactions Involving Owners Equity Holders Affecting Accumulated Funds | | 33,711 | - | - | 33,711 |
| Balance Total Equity at the End of the Reporting Period | | 3,490,625 | 216,217 | 124,255 | 3,831,097 |

Handout 3: Statement of Changes in Equity and Equity Note

Reference

NOTE 36. EQUITY

| | 2010 \$'000 | 2009 \$'000 |
|------------------------|---|------------------|
| | Total Equity at the End of the Reporting Period | |
| | 3,484,780 | 3,490,635 |
| AASB 101 para 78 (e) | 246,113 | 216,217 |
| AASB 101 para 78 (e) | 139,485 | 124,255 |
| | 3,870,378 | 3,831,107 |
| AASB 101 para 106 (d) | Movements in Equity during the Reporting Period | |
| AASB 101 para 106 (d) | Accumulated Funds | |
| | Balance at the Beginning of the Reporting Period | |
| | 3,490,635 | 3,443,819 |
| | - | - |
| | - | 367 |
| | 3,490,635 | 3,444,186 |
| | 13,500 | 27,500 |
| | (5,500) | (5,200) |
| AASB 1004 para 56 | 19,195 | 43,894 |
| | (17,590) | (3,770) |
| | (15,230) | (15,745) |
| | (230) | (230) |
| | 3,484,780 | 3,490,635 |
| AASB 101 para 106 (d) | Asset Revaluation Surplus Reserve | |
| AASB 116 para 77 (f) | The Asset Revaluation Surplus Reserve is used to record the increments and decrements in the value of property, plant and equipment. | |
| AASB 101 para 79 (b) | Balance at the Beginning of the Reporting Period | |
| | 216,217 | 32,159 |
| | - | - |
| | - | 153 |
| | 216,217 | 32,159 |
| AASB 116 para Aus 39.1 | 8,660 | - |
| AASB 116 para Aus 39.1 | 12,776 | - |
| AASB 136 para 60 | (1,650) | (554) |
| AASB 116 para Aus 39.1 | 7,610 | - |
| AASB 116 para Aus 39.1 | - | 182,612 |
| | 2,500 | 2,000 |
| | 29,896 | 184,058 |
| | 246,113 | 216,217 |

Handout 3: Statement of Changes in Equity and Equity Note

AASB 101 para 106 (d)

Other Reserves

| | | |
|---|----------------|----------------|
| Balance at the Beginning of the Reporting Period | 124,255 | 108,510 |
| Transfer to / (from) Reserves | 15,230 | 15,745 |
| Balance at the End of the Reporting Period | 139,485 | 124,255 |

Commentary – Note 36: Equity

Disclosure Requirements

AASB 101 para 106 (d)

Agencies must provide in their financial statements ~~report~~ a reconciliation of the opening and closing balance of accumulated funds and each reserve, identifying the nature and amount of any changes. Most of this reconciliation now appears in the Statement of Changes in Equity. However, where agencies feel that greater detail should be provided a more detailed reconciliation should be presented in the Equity note.

AASB 101 para 79 (b)

A description of the nature and purpose of the reserves must be disclosed along with any restrictions on their distribution or any other important characteristics of the reserves. Note that the Model Financial Statements ~~Report~~ does not include a description of the nature of 'Other Reserves' as the reason for creating it will be rare and specific to each Agency. Agencies are required to provide a description of the nature and purpose of any 'Other Reserves'.

AASB 116 para 39 & 40
AASB 116 para Aus 39.1
AASB 116 para Aus 40.1

AASB 116 *Property, Plant & Equipment* requires an increase or decrease in the carrying amount of an asset due to a revaluation, to be shown in other comprehensive income and accumulated in equity under the heading of Revaluation ~~Surplus Reserve~~. An increase in the carrying amount shall be credited to other comprehensive income ~~equity~~, while a decrease will be debited to other comprehensive income ~~equity~~. Note, however, that where a class of assets initially decreases in value this decrement is expensed. Further, where there is a subsequent increase to this class the increase (to the extent of the previous expense) is recognised as revenue.

AASB 116 para Aus 40.2

AASB 116 requires revaluation increases and decreases to be offset against one another within a class of assets only.

AASB 101 para 137 (a)

An Agency must disclose, in the notes only, any amount of dividends proposed or declared before the financial statements ~~report are~~ is authorised for issue but not recognised as a distribution during the period.

Handout 4: Note 39 Financial Instruments - Fair Value Hierarchy

Reference

NOTE 39. FINANCIAL INSTRUMENTS - CONTINUED

Fair Value Hierarchy

The Agency is required to classify financial assets and financial liabilities into a fair value hierarchy that reflects the significance of the inputs used in determining their fair value. The fair value hierarchy is made up of the following three levels:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying amount of financial assets measured at fair value, as well as the methods used to estimate the fair value are summarised in the table below. All other financial assets and liabilities are measured, subsequent to initial recognition, at amortised cost and as such are not included in the table below.

2010

| | Classification According to Fair Value Hierarchy | | | Total \$'000 |
|--|--|-------------------|-------------------|-----------------|
| | Level 1 \$'000 | Level 2 \$'000 | Level 3 \$'000 | |
| Financial Assets | | | | |
| Financial Assets at Fair Value through the Profit and Loss | | | | |
| Investment with the Territory Banking Account – Fixed Interest Portfolio | - | 1,711 | - | 1,711 |
| | - | 1,711 | - | 1,711 |

In accordance with the transitional provision of AASB 7 the agency has not provided comparative figures.

Transfer Between Categories

There have been no transfers of financial assets or financial liabilities between Level 1 and Level 2 during the reporting period.

Commentary – Note 39: Financial Instruments - Continued

Fair Value Methodology Disclosures

For each class of financial instrument, in relation to its fair value, an agency shall disclose:

- any methods used in determining fair value;
- valuation techniques (if necessary) with associated assumptions; and
- if there has been a change in valuation techniques, disclosure of the change, and the reasons for making it.

Fair Value Hierarchy

Fair value measurements are classified into the following levels:

- Level 1 — Quoted Prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 — Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (i.e. derived from prices); and
- Level 3 — inputs for the asset or liability that are not based on observable market data.

Each fair valued financial asset or liability is categorised into the level corresponding with the lowest level input that is significant to the fair value measurement in its entirety.

Fair Value Hierarchy Movements

For financial instruments measured at fair value in the balance sheet an agency shall disclose for each class, any significant transfers between Level 1 & Level 2 including any reasons for the change. Transfers in and transfers out of each level should be clearly disclosed separately.

For significant movements in level 3 items, reconciliation between opening and closing balances is required. Details to include are:

AASB 7 para 27A

AASB 7 para 27B(a)

AASB 7 para 44G

AASB 7 para 27B(b)

AASB 7 para 27

AASB 7 para 27A
AASB 7 para 27B(a)

AASB 7 para 27B (b)

AASB 7 para 27B(c)

Reference

NOTE 39. FINANCIAL INSTRUMENTS - CONTINUED

- total gains or losses for the period recognised in profit or loss;
- a description of where the gains or losses are presented in the income statement,
- total gains or losses recognised in other comprehensive income;
- purchases, Sales, Issues and Settlements (each type disclosed separately); and
- transfers into or out of level 3 (where significant disclose separately) and the reasons for those transfers.

AASB 7 para 27B(d)

For significant movements in level 3, an agency shall also disclose the amount of the total gains and losses (included above) which are attributable to gains and losses relating to those assets and liabilities held at the end of the reporting period and a description of where the gains or losses are presented in the income statement.

AASB 7 para 27B(e)

For fair value measurements in Level 3, if changing one or more of the inputs to reasonably possible alternative assumptions would change fair value significantly, the agency shall state that fact and disclose the effect of those changes. The agency shall disclose how the effect of a change to a reasonably possible alternative assumption was calculated. For this purpose, significance shall be judged with respect to profit or loss, and total assets or total liabilities, or, when changes in fair value are recognised in other comprehensive income and total equity.

Handout 5: Note 2(af) Impact of Accounting Standards Issued but yet to be Applied

Reference

AASB 101 para 10 (e)

AASB 108 para 30 and 31

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(af) Impact of Accounting Standards Issued but yet to be Applied

The following new and revised accounting standards and interpretations have been issued by the Australian Accounting Standards Board but do not apply to the current reporting period. These standards and interpretations are applicable to future reporting periods. 'Example Agency' does not intend to adopt these standards and interpretations early. It is estimated that the effect of adopting the below pronouncements, when applicable, will have no material financial impact on 'Example Agency' in future reporting periods:

- AASB 1 First-time Adoption of Australian Accounting Standards (application date 1 Jan 2010);
- AASB 5 Non-current Assets Held for Sale and Discontinued Operations (application date 1 Jan 2010);
- AASB 9 Financial Instruments (application date 1 Jan 2013);
- AASB 101 Presentation of Financial Statements (application date 1 Jan 2010);
- AASB 107 Statement of Cash Flows (application date 1 Jan 2010);
- AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors (application date 1 Jan 2011);
- AASB 110 Events after the Reporting Period (application date 1 Jan 2011);
- AASB 117 Leases (application date 1 Jan 2010);
- AASB 118 Revenue (application date 1 Jan 2010);
- AASB 119 Employee Benefits (application date 1 Jan 2011);
- AASB 132 Financial Instruments: Presentation (application date 1 Feb 2010);
- AASB 136 Impairment of Assets (application date 1 Jan 2010);
- AASB 137 Provisions, Contingent Liabilities and Contingent Assets (application date 1 Jan 2011);
- AASB 139 Financial Instruments: Recognition and Measurement (application date 1 Jan 2010);
- AASB 1031 Materiality (application date 1 Jan 2011);
- AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12] (application date 1 Jan 2013);
- AASB 2009-13 Amendments to Australian Accounting Standards arising from Interpretation 19 [AASB 1] (application date 1 Jul 2010);
- AASB Interpretation 4 Determining whether an Arrangement contains a lease (application date 1 Jan 2011); and
- AASB Interpretation 14 AASB 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (application date 1 Jan 2011).

Impact of Accounting Standards Issued but Yet to be Applied

The model does not contain a complete list of standards issued but not yet applicable. Instead it contains those standards not yet applicable which will apply to most agencies (as at March 2010). This is because agencies do not have to include standards that would never apply to them (eg AASB 129 *Financial Reporting in Hyperinflationary Economies*) in their Note 3 disclosure. As such most agencies will be able to simply use the list contained in the model note, however, additional standards may be issued (which are applicable) between April and the end of June and therefore further standards may need to be included in Note 3. The Accounting Branch will issue an updated Note 3 disclosure in July to assist agencies in picking up additional standards issued in their Note 3 disclosure.

Handout 5: Note 2(a) Impact of Accounting Standards Issued but yet to be Applied

For the information of agencies, the additional standards issued but not yet applicable (as at March 2010) which are not included in the Note 3 disclosures included in the Model are:

- AASB 2 *Share Based Payments* (application date 1 Jan 2010);
- AASB 8 *Operating Segments* (application date 1 Jan 2010);
- AASB 112 *Income Taxes* (application date 1 Jan 2011);
- AASB 124 *Related Party Disclosures* (application date 1 Jan 2011);
- AASB 133 *Earnings per Share* (application date 1 Jan 2011);
- AASB 1023 *General Insurance Contracts* (application date 1 Jan 2011);
- AASB Interpretation 2 *Members' Shares in Co-operative Entities and Similar Instruments* (application date 1 Jan 2011);
- AASB Interpretation 16 *Hedges of a Net Investment in a Foreign Operation* (application date 1 Jan 2011);
- AASB Interpretation 19 *Extinguishing Financial Liabilities with Equity Instruments* (application date 1 Jul 2010);
- AASB Interpretation 1039 *Substantive Enactment of Major Tax Bills in Australia* (application date 1 Jan 2011); and
- AASB Interpretation 1052 *Tax Consolidation Accounting* (application date 1 Jan 2011).

Note, it is recommended that agencies review the above standards to ensure they are in fact never going to apply to that agency.

Reference

NOTE 25. ASSETS HELD FOR SALE

AASB 5 para 41

The Agency has classified plant and equipment, and investment properties as ‘assets held for sale’. The Agency has 3 investment properties which it is holding for sale, that are expected to be sold during the middle of the next reporting period. The Agency has <10> motor vehicles which have been returned to SG Fleet and are expected to be sold in July 2010. The residual and all lease payments have been paid. As such these vehicles have been classified as plant and equipment held for sale. ~~Plant and equipment held for sale is expected to be sold towards the end of the next reporting period.~~ The Agency is also disposing of plant and equipment as a result of a restructuring of its maintenance division.

AASB 5 para 38

| | 2010 \$'000 | 2009 \$'000 |
|--|----------------|----------------|
| Plant and Equipment Held for Sale ^a | 1,616 | 750 |
| Investment Property Held for Sale ^b | 3,405 | - |
| Total Assets Held for Sale | 5,021 | 750 |

- a) In July 2006 all motor vehicle leases moved from being operating leases to finance leases. With the majority of motor vehicles finance leases being 24 months, part of the increase in plant and equipment held for sale can be attributed to higher amounts of motor vehicle finance lease terms coming to end during the 2010 financial year. ~~The increase in plant and equipment held for sale is due to the Agency deciding that it would sell a range of items, that had become surplus to requirements.~~ The Agency is also disposing of plant and equipment as a result of a restructuring of its maintenance division.
- b) There was no investment properties held for sale at the end of the previous reporting period.

Commentary – Note 25: Assets Held for Sale

AASB 5 para 7

For an asset to be classified as held for sale it must be available for immediate sale in its present condition subject only to terms that are usual and customary for the sale of such assets and the sale must be highly probable.

AASB 5 para 8

For the sale to be highly probable, the appropriate level of management must be committed to a plan to sell the asset (or disposal group), and an active program to locate a buyer and complete the plan must have been initiated. Further, the asset (or disposal group) must be actively marketed for sale at a price that is reasonable in relation to its current fair value. In addition, the sale should be expected to qualify for recognition as a completed sale within one year from the date of classification, except where circumstances beyond the agency’s control extend the period of sale, and actions required to complete the plan should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Leased Motor Vehicles

Motor vehicles which have been returned to SG Fleet and the agency has paid all lease payments as well as the residual to SG Fleet should be classified as assets held for sale. For further information in relation to the accounting treatment of assets held for sale refer to the ACT Accounting Policy Paper on Finance Leases — ACT Passenger and Light Commercial Motor Vehicle using SG Fleet.

Reference

NOTE 50.—COMMONWEALTH GRANTS—TERRITORIAL

Commonwealth Grant funds received by the Agency are initially recorded in the Territorial accounts. These funds are then transferred back to the Territory Banking Account. As the funds are used for the delivery of outputs, the funds are included in the appropriation ‘Government Payments for Outputs’ (see Note 4).

| | 2010 | 2009 |
|----------------------------------|---------------|---------------|
| | \$'000 | \$'000 |
| Housing Programs | | |
| Example Housing Program | 8,731 | 8,250 |
| Transport Programs | | |
| Example Bridge Program | 2,641 | 2,431 |
| Example Safety Program | 1,572 | 1,875 |
| Interstate Road Transport | 583 | 576 |
| Total Commonwealth Grants | 13,527 | 13,132 |

Commentary—Note 50: Commonwealth Grants—Territorial

The break up of Commonwealth Grants shown here is an example only. As Commonwealth Grants received are unique to each Agency, the items in this note disclosure will differ between Agencies. Each Agency will need to disclose relevant Commonwealth Grants that apply to it.

Reference

FMA Section 130
ACT Accounting Policy

NOTE 19. ACT OF GRACE PAYMENTS [DEPARTMENTS ONLY]

Under Section 130 of the *Financial Management Act 1996* the Treasurer may, in writing, authorise Act of Grace Payments be made by an Agency. Act of Grace payments are a method of providing equitable remedies to entities or individuals that may have been unfairly disadvantaged by the Government but have no legal claim to the payment.

In 2009-10 the Treasurer authorised three Act of Grace Payments. Two of these payments related to an oversight made by 'Example Agency' regarding land development applications. The third payment related to a delayed heritage grant payment which resulted in the recipient incurring a penalty for late payment to a third party supplier due to not receiving the grant payment on time. The land development application oversights and the delayed grant payment did not legally entitle the applicant(s)/recipient(s) to compensation, however as all were unfairly disadvantaged the Treasurer approved the Act of Grace Payments.

| | 2010 \$'000 | 2009 \$'000 |
|--|----------------|----------------|
| Act of Grace Payments | | |
| Payment relating to the oversight regarding land development application | 5 | - |
| Payment relating to the oversight regarding land development application | 4 | - |
| Payment relating to the delayed heritage grant payment | 1 | - |
| Total Act of Grace Payments | 10 | - |

FMA Section 130 (9)
FMA Section 130 (9)
FMA Section 130 (9)

Commentary – Note 19: Act of Grace Payments [Departments Only]

Financial Management Act Requirements

FMA Section 130
FMA Section 130 (8)
FMA Section 130 (9)
ACT Accounting Policy
FMA Section 130 (10)

Section 130 of the FMA covers Act of Grace Payments.

The FMA states that an Act of Grace Payment made by an Agency must be reported in the notes to its financial statements in the reporting period the payments are made.

The FMA states that the notes to the financial statements must indicate the amount and grounds for each Act of Grace payment. ACT Accounting Policy also requires that a definition of an Act of Grace Payment be included in the financial statements of the Agency where it makes an Act of Grace Payment.

The FMA states that the financial statements shall not disclose the identity of an Act of Grace Payment recipient unless disclosure was agreed to by the recipient.

No Act of Grace Payments

ACT Accounting Policy
FMA Section 130

Where an Agency does not make any Act of Grace Payments throughout the reporting period (or prior reporting period) it must still include an Act of Grace payment note. The wording to be included in this note is as follows:

‘There were no Act of Grace payments made during the reporting period pursuant to Section 130 of the *Financial Management Act 1996*.’

Handout 9: Supplement: Restatements of Comparatives

‘Example Agency’ Balance Sheet As at 30 June 2010

13.
restated opening
balance column

| Reference | Note No. | Actual 2010 \$'000 | Original Budget 2010 \$'000 | Actual 2009 \$'000 | Actual ¹ 2008 \$'000 |
|--------------------------------------|----------|--------------------------|--------------------------------------|--------------------------|---------------------------------------|
| Current Assets | | | | | |
| AASB 101 para 60 | | | | | |
| AASB 101 para 54 (i) | 21 | 19,879 | 10,029 | 8,471 | 2,904 |
| AASB 101 para 54 (h) | 22 | 6,267 | 3,080 | 2,596 | 2,028 |
| AASB 101 para 54 (g) | 24 | 1,852 | 2,284 | 1,965 | 2,165 |
| AASB 101 para 54 (j) | 25 | 5,021 | 1,100 | 750 | 177 |
| AASB 101 para 55 | 30 | 2,164 | 4,650 | 2,312 | 2,465 |
| AASB 101 para 55 | | 35,183 | 21,143 | 16,094 | 9,739 |
| Non-Current Assets | | | | | |
| AASB 101 para 60 | | | | | |
| AASB 101 para 54 (h) | 22 | 25,221 | 16,979 | 16,385 | 14,197 |
| AASB 101 para 54 (d) | 23 | | | 1,141 | 311 |
| AASB 101 para 54 (e) | 42 | | | 73,581 | 60,595 |
| AASB 101 para 54 (a) | 26 | 3,699,882 | 3,699,882 | 3,699,882 | 3,526,170 |
| AASB 101 para 54 (b) | 27 | | | 25,751 | 17,315 |
| AASB 101 para 54 (c) | 28 | | | 720 | 820 |
| AASB 101 para 55 | 29 | 73,393 | 49,468 | 57,123 | 35,485 |
| AASB 101 para 55 | 30 | 413 | 294 | 625 | 822 |
| AASB 101 para 55 | | 3,911,270 | 3,884,886 | 3,875,208 | 3,655,715 |
| Total Non-Current Assets | | | | | |
| | | 3,946,453 | 3,906,029 | 3,891,302 | 3,665,454 |
| Total Assets | | | | | |
| Current Liabilities | | | | | |
| AASB 101 para 60 | | | | | |
| AASB 101 para 54 (k) | 31 | 10,108 | 15,682 | 10,360 | 10,174 |
| AASB 101 para 54 (m) | 32 | 384 | 314 | 428 | 272 |
| AASB 101 para 54 (m) | 32 | 2,800 | 2,451 | 2,855 | 2,694 |
| AASB 101 para 54 (l) | 33 | 30,437 | 22,009 | 22,486 | 18,917 |
| AASB 101 para 54 (l) | 34 | 5,194 | 2,243 | 1,246 | - |
| AASB 101 para 55 | 35 | 9,379 | 11,896 | 5,820 | 4,282 |
| AASB 101 para 55 | | 58,302 | 54,595 | 43,195 | 36,339 |
| Total Current Liabilities | | | | | |
| Non-Current Liabilities | | | | | |
| AASB 101 para 60 | | | | | |
| AASB 101 para 54 (k) | 31 | 2,581 | 3,997 | 2,582 | 2,543 |
| AASB 101 para 54 (m) | 32 | 7,740 | 9,083 | 8,676 | 10,619 |
| AASB 101 para 54 (m) | 32 | 4,200 | 5,010 | 4,283 | 4,042 |
| AASB 101 para 54 (l) | 33 | 1,123 | 721 | 798 | 585 |
| AASB 101 para 54 (l) | 34 | 1,732 | 1,154 | 416 | - |
| AASB 101 para 55 | 35 | 407 | 214 | 255 | 225 |
| AASB 101 para 55 | | 17,783 | 20,179 | 17,010 | 18,014 |
| Total Non-Current Liabilities | | | | | |
| | | 76,085 | 74,774 | 60,205 | 54,353 |
| Total Liabilities | | | | | |
| | | 3,870,368 | 3,831,255 | 3,831,097 | 3,611,101 |
| Net Assets | | | | | |
| | | 3,870,368 | 3,831,255 | 3,831,097 | 3,611,101 |
| Equity | | | | | |
| AASB 101 para 55 | | | | | |
| | | 3,484,770 | 3,487,015 | 3,490,625 | 3,470,432 |
| | 36 | 246,113 | 219,985 | 216,217 | 32,159 |
| | | 139,485 | 124,255 | 124,255 | 108,510 |
| | | 3,870,368 | 3,831,255 | 3,831,097 | 3,611,101 |

15. foot
note for
additional
column

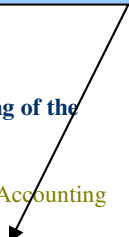
1) See Note 3 for details.

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

**‘Example Agency’
Statement of Changes in Equity - Continued
For the Year Ended 30 June 2010**

| Reference | | Note No. | Accumulated Funds Actual 2009 \$'000 | Asset Revaluation Surplus Actual 2009 \$'000 | Other Reserves Actual 2009 \$'000 | Total Equity Actual 2009 \$'000 |
|---|--|-------------|--|---|---|--|
| | Balance at the Beginning of the Reporting Period | | 3,470,065 | 32,006 | 108,510 | 3,610,581 |
| AASB 101 para 106 (b) | Net Effect of Change in Accounting Policy | | - | - | - | - |
| AASB 101 para 106 (b) | Net Effect of a Correction of an Error | | 367 | 153 | - | 520 |
| | Restated Balance at the Beginning of the Reporting Period | | 3,470,432 | 32,159 | 108,510 | 3,611,101 |
| | Comprehensive Income | | | | | |
| AASB 101 para 106(d)(i) | Operating Surplus/(Deficit) | | 2,227 | - | - | 2,227 |
| AASB 101 para 106(d)(ii) | Increase/(Decrease) in Asset Revaluation Surpluses | | - | 184,058 | - | 184,058 |
| | Other Comprehensive Income | | - | - | - | - |
| AASB 101 para 106 (a) | Total Comprehensive Income | | 2,227 | 184,058 | - | 186,285 |
| | Transfers to/(from) reserves | | (15,745) | - | 15,745 | - |
| | Transactions Involving Owners Affecting Accumulated Funds | | | | | |
| AASB 101 para 106 (d)(iii) | Capital Injections | | 7,500 | - | - | 7,500 |
| AASB 101 para 106 (d)(iii) | Capital (Distributions) | | (17,453) | - | - | (17,453) |
| AASB 101 para 106 (d)(iii) | Net Assets transferred in as part of an Administrative Restructure | 38 | 43,894 | - | - | 43,894 |
| AASB 101 para 106 (d)(iii) | Net Assets transferred out as part of an Administrative Restructure | 38 | - | - | - | - |
| AASB 101 para 107 AASB 101 para 106 (d)(iii) | Dividend Approved | | (230) | - | - | (230) |
| | Total Transactions Involving Owners Affecting Accumulated Funds | | 33,711 | - | - | 33,711 |
| | Balance at the End of the Reporting Period | | 3,490,625 | 216,217 | 124,255 | 3,831,097 |

11. opening balance restatement section



12. restated figures



The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Reference

Note 3. Change in Accounting Policy and Accounting Estimates, and Correction of a Prior Period Error - Continued

The below section in Note 3 titled, 'Restatement of Financial Statements as a result of Change in Accounting Policy and Correction of an Error' shows the restatement of each line item effected by the error.

Restatement of Financial Statements as a Result of Change in Accounting Policy and Correction of an Error

30 June 2009 Comparative year

3. restatement of comparative year figures

| Financial Statement Item / Balance Affected | Line Note | Actual 2009 \$'000 | Change in Acc. Policy Adj \$'000 | Correction of Error Adj \$'000 | Restated Actual 2009 \$'000 |
|---|-----------|--------------------|----------------------------------|--------------------------------|-----------------------------|
|---|-----------|--------------------|----------------------------------|--------------------------------|-----------------------------|

Operating Statement (Extract)

| | | | | | |
|-------------------------------------|--|----------------|--|-------------|----------------|
| Expenses | | | | | |
| Depreciation and Amortisation | | 93,549 | | 15 | 93,564 |
| Total Expenses | | 357,159 | | 15 | 357,174 |
| Operating Surplus /(Deficit) | | 2,242 | | (15) | 2,227 |

Balance Sheet (Extract)

| | | | | | |
|---------------------------------|----|------------------|----------|------------|------------------|
| Non-Current Assets | | | | | |
| Property, Plant and Equipment | 26 | 3,699,377 | - | 505 | 3,699,882 |
| Total Non-Current Assets | | 3,874,703 | - | 505 | 3,875,208 |
| Total Assets | | 3,890,797 | - | 505 | 3,891,302 |
| Net Assets | | 3,830,592 | - | 505 | 3,831,097 |
| Equity | | | | | |
| Accumulated Funds | | 3,490,273 | - | 352 | 3,490,625 |
| Asset Revaluation Surpluses | | 216,064 | - | 153 | 216,217 |
| Total Equity | | 3,830,592 | - | 505 | 3,831,097 |

Statement of Changes in Equity (Extract)

| | | | | | |
|-----------------------------|--|-------|---|----|-------|
| Operating Surplus/(Deficit) | | 2,242 | - | 15 | 2,227 |
|-----------------------------|--|-------|---|----|-------|

Last year's published Financial Statement 2009 figures

If an agency has no changes in accounting policy or prior period error adjustments, the corresponding column may be deleted. It is only shown here in this example to indicate layout if needed.

Figures now appearing in 2009 comparative column this year

Reference

Note 3. Change in Accounting Policy and Accounting Estimates, and Correction of a Prior Period Error - Continued

Restatement of Financial Statement as a Result of Change in Accounting Policy and Correction of an Error (Continued)

| Financial Statement Line Item / Balance Affected | Actual 2009 \$'000 | Change in Acc. Policy Adj \$'000 | Correction of Error Adj \$'000 | Restated Actual 2009 \$'000 |
|--|--------------------------|---|---|--------------------------------------|
|--|--------------------------|---|---|--------------------------------------|

Note 14. Depreciation and Amortisation (Extract)

Depreciation

| | | | | |
|-------------------------------|---------------|----------|-----------|---------------|
| Buildings | 1,888 | - | 15 | 1,903 |
| Infrastructure Assets | 84,131 | - | - | 84,131 |
| Plant and Equipment | 2,640 | - | - | 2,640 |
| Community and Heritage Assets | 4,120 | - | - | 4,120 |
| Leasehold Improvements | 570 | - | - | 570 |
| Total Depreciation | 93,349 | - | 15 | 93,364 |

Amortisation

| | | | | |
|--|---------------|----------|-----------|---------------|
| Intangible Assets | 200 | - | - | 200 |
| Total Amortisation | 200 | - | - | 200 |
| Total Depreciation and Amortisation | 93,549 | - | 15 | 93,564 |

Note 26. Property, Plant and Equipment (Extract)

Land and Buildings

| | | | | |
|--------------------------|---------------|----------|------------|---------------|
| Land at Fair Value | 25,911 | - | 235 | 26,146 |
| Total Land Assets | 25,911 | - | 235 | 26,146 |

| | | | | |
|--|---------------|----------|------------|---------------|
| Buildings at Fair Value | 72,459 | - | 300 | 72,759 |
| Less: Accumulated Depreciation | (5,057) | - | (30) | (5,087) |
| Less: Accumulated Impairment Losses | (554) | - | - | (554) |
| Total Written Down Value of Buildings | 66,848 | - | 270 | 67,118 |

| | | | | |
|---|---------------|----------|------------|---------------|
| Total Land and Written Down Value of Buildings | 92,759 | - | 505 | 93,264 |
|---|---------------|----------|------------|---------------|

Plant and Equipment

| | | | | |
|--|--------------|----------|----------|--------------|
| Plant and Equipment at cost | 19,801 | - | - | 19,801 |
| Less: Accumulated Depreciation | (10,149) | - | - | (10,149) |
| Less: Accumulated Impairment Losses | (430) | - | - | (430) |
| Total Written Down Value of Plant and Equipment | 9,222 | - | - | 9,222 |

| | | | | |
|--|------------------|----------|------------|------------------|
| Total Written Down Value of Property, Plant and Equipment | 3,699,377 | - | 505 | 3,699,882 |
|--|------------------|----------|------------|------------------|

Reference

Note 14. Depreciation and Amortisation

| | 2010 \$'000 | 2009 \$'000 |
|--|----------------|----------------|
| Depreciation | | |
| Buildings | 2,208 | 1,903 |
| Infrastructure Assets | 85,889 | 84,131 |
| Plant and Equipment | 2,100 | 2,640 |
| Community and Heritage Assets | 5,650 | 4,120 |
| Leasehold Improvements | 752 | 570 |
| Total Depreciation | 96,599 | 93,364 |
| Amortisation | | |
| Intangible Assets | 440 | 200 |
| Total Amortisation | 440 | 200 |
| Total Depreciation and Amortisation | 97,039 | 93,564 |

7. restated
2009
figures

AASB 116 para 75(a)

AASB 138 para 118(d)

AASB 116 para 51
AASB 108 para 34 & 39

AASB 116 para 51
AASB 108 para 39

Revision in Accounting Estimates

The useful lives of some community and heritage assets were reassessed resulting in the depreciation expense increasing by \$140,000.

Change in Depreciation due to a Revision of Carrying Amount

The residual value of plant and equipment was revised and subsequently increased as it was considered that some items of plant and equipment could be sold for an amount greater than originally anticipated. As a result, the depreciation on the plant and equipment was also revised and consequently decreased by \$180,000 in the current reporting period.

Reference

Note 26. Property, Plant and Equipment

Property, plant and equipment includes the following classes of assets – land, buildings, leasehold improvements, plant and equipment, infrastructure assets, and community and heritage assets. Property, plant and equipment do not include assets held for sale or investment property.

- *Land* includes leasehold land held by the Agency, but excludes land under infrastructure.
- *Buildings* include office buildings and warehouses.
- *Leasehold improvements* represent capital expenditure incurred in relation to leased assets. The Agency has fit-outs in its leased buildings.
- *Plant and equipment* includes motor vehicles under a finance lease, mobile plant, air conditioning and heating systems, office and computer equipment, furniture and fittings, and other mechanical and electronic equipment.
- *Infrastructure assets* comprise public utilities that provide essential services and enhance the productive capacity of the economy. Infrastructure assets held by the Agency include bridges, stormwater drains, footpaths and street lighting. Land under infrastructure is not included in infrastructure assets.
- *Heritage assets* are defined as those non-current assets that the ACT Government intends to retain for future generations because of their unique historical, cultural or environmental attributes. A common feature of heritage assets is that they cannot be replaced and they are not usually available for sale or for redeployment. Heritage assets include art, historical buildings, and memorials.
- *Community assets* are those assets that are provided essentially for general community use or enjoyment. Community assets held by the Agency include public parks and gardens, public sporting reserves, public nature reserves and land under infrastructure.

5. column with restated opening balances

6. restated 2009 figures

| | 2010 \$'000 | 2009 \$'000 | 2008 \$'000 |
|---|----------------|----------------|----------------|
| Land and Buildings | | | |
| Land at Fair Value ^a | 44,874 | 26,146 | 19,343 |
| Total Land Assets | 44,874 | 26,146 | 19,343 |
| Buildings at Fair Value ^b | 93,575 | 72,759 | 62,536 |
| Less: Accumulated Depreciation | (7,295) | (5,087) | (3,184) |
| Less: Accumulated Impairment Losses | (2,204) | (554) | - |
| Total Written Down Value of Buildings | 84,076 | 67,118 | 59,352 |
| Total Land and Written Down Value of Buildings | 128,950 | 93,264 | 78,695 |
| Leasehold Improvements | | | |
| Leasehold Improvements at Fair Value | 10,152 | 9,552 | 8,887 |
| Less: Accumulated Depreciation | (4,346) | (3,594) | (3,024) |
| Less: Accumulated Impairment Losses | - | - | - |
| Total Written Down Value of Leasehold Improvements | 5,806 | 5,958 | 5,863 |

AASB 116 para 73 (a)

AASB 116 para 73 (a) & (d)

AASB 116 para 73 (d)

AASB 116 para 73 (d)

AASB 116 para 73 (a) & (d)

AASB 116 para 73 (d)

AASB 116 para 73 (d)

- a) The increase in land resulted from the Agency purchasing land in order to build a new warehouse for the storage of large items of plant and equipment and land to build a shopfront. The increase also resulted from a revaluation of the Agency's existing land, which occurs once every 3 years.
- b) The increase in buildings resulted from two buildings located in Fyshwick and Canberra City being completed and transferred out of Capital Works in Progress. The increase also resulted from a revaluation of the Agency's existing buildings, which occurs once every 3 years, and from a surplus building being transferred to the Agency from the Property Group which will be used in the delivery of municipal services.

Handout 9: Supplement: Restatements of Comparatives

Reference

Note 26. Property, Plant and Equipment - continued

| | 2010 \$'000 | 2009 \$'000 | 2008 \$'000 |
|--|------------------|------------------|------------------|
| Plant and Equipment | | | |
| AASB 116 para 73 (a) & (d) | | | |
| AASB 116 para 73 (d) | | | |
| AASB 116 para 73 (d) | | | |
| Plant and Equipment at Cost | 19,514 | 19,801 | 16,769 |
| Less: Accumulated Depreciation | (10,075) | (10,149) | (8,059) |
| Less: Accumulated Impairment Losses | (1,380) | (430) | - |
| Total Written Down Value of Plant and Equipment | 8,059 | 9,222 | 8,710 |
| Infrastructure Assets | | | |
| AASB 116 para 73 (a) & (d) | | | |
| AASB 116 para 73 (d) | | | |
| AASB 116 para 73 (d) | | | |
| Infrastructure Assets at Fair Value | 5,214,396 | 5,182,146 | 4,971,116 |
| Less: Accumulated Depreciation | (1,805,736) | (1,719,847) | (1,635,716) |
| Less: Accumulated Impairment Losses | - | - | - |
| Total Written Down Value of Infrastructure Assets | 3,408,660 | 3,462,299 | 3,335,400 |
| Community and Heritage Assets | | | |
| AASB 116 para 73 (a) & (d) | | | |
| AASB 116 para 73 (d) | | | |
| AASB 116 para 73 (d) | | | |
| Community and Heritage Assets at Fair Value ^c | 172,899 | 152,150 | 116,393 |
| Less: Accumulated Depreciation | (28,161) | (23,011) | (18,891) |
| Less: Accumulated Impairment Losses | - | - | - |
| Total Written Down Value of Community and Heritage Assets | 144,738 | 129,139 | 97,502 |
| Total Written Down Value of Property, Plant and Equipment | 3,696,213 | 3,699,882 | 3,526,170 |

c) The increase in Community and Heritage assets has resulted from a revaluation of Community and Heritage assets undertaken by 'Example Agency'. The increase is also a result of a restructure of administrative arrangements, whereby 'Example Agency' received, amongst other assets, a number of public parks and gardens from ABC Department. Please refer to Note 38 *Restructure of Administrative Arrangements* for further details.

Assets under a Finance Lease

Assets under a finance lease are included in the asset class to which they relate in the above disclosure. Assets under a finance lease are also required to be separately disclosed as outlined below.

| | 2010 \$'000 | 2009 \$'000 |
|--|----------------|----------------|
| Carrying Amount of Assets under a Finance Lease | | |
| AASB 117 para 31 (a) | | |
| Plant and Equipment under a Finance Lease | 5,044 | 5,480 |
| Accumulated Depreciation of Plant and Equipment under a Finance Lease | (2,604) | (2,108) |
| Total Written Down Value of Plant and Equipment under a Finance Lease | 2,440 | 3,372 |
| Total Written Down Value of Assets under a Finance Lease | 2,440 | 3,372 |

Valuation of Non-Current Assets

AASB 116 para 77 (a) & (b) The Australian Valuation Office, an independent valuer, performs all revaluations of the Agency's assets. The latest valuation of infrastructure assets was performed as at 30 June 2009. The latest valuation of land, buildings, and Community and Heritage Assets was performed as at 30 June 2010.

Plant and Equipment Pledged as Security

AASB 116 para 74 (a) The carrying amount of Plant and Equipment pledged separately and specifically as security for liabilities at 30 June 2010 was \$194,000 (\$157,000 in 2009).

Handout 10: Territory Authority Section Reference Table

| Statement or Note | Applicable to: | | Appears in TAS Section | | |
|---|----------------|-----------------------|------------------------|------------------------------|-----------------------|
| | Departments | Territory Authorities | TAS Reference | Changes to Statement or Note | Changes to Commentary |
| Statement of Responsibility | √ | √ | TAS 1 | √ | √ |
| Statement by The Chief Finance Officer | √ | √ | None | | |
| Operating Statement | √ | √ | TAS 2 | √ | √ |
| Balance Sheet | √ | √ | TAS 3 | √ | √ |
| Statement of Changes in Equity | √ | √ | TAS 4 | √ | |
| Cash Flow Statement | √ | √ | TAS 5 | √ | √ |
| Summary of Agency Output Classes & Operating Statement for each Output Class | √ | √ | TAS 6 | | √ |
| Statement of Appropriation | √ | √ | TAS 7 | | √ |
| Note 1 Objectives of 'Example Agency' | √ | √ | None | | |
| Note 2 Summary of Significant Accounting Policies | √ | √ | TAS 8 | √ | √ |
| Note 3 Change in Accounting Policy and Accounting Estimates, and Correction of a Prior Period Error | √ | √ | None | | |
| Note 4 Government Payment for Outputs | √ | √ | TAS 9 | | √ |
| Note 5 User Charges for Goods and Services | √ | √ | None | | |
| Note 6 Interest | √ | √ | None | | |
| Note 7 Resources Received Free of Charge | √ | √ | None | | |
| Note 8 Other Revenue | √ | √ | None | | |
| Note 9 Gains on Investments | √ | √ | None | | |
| Note 10 Other Gains | √ | √ | TAS 10 | √ | √ |
| Note 11 Employee Expenses | √ | √ | None | | |
| Note 12 Superannuation Expenses | √ | √ | None | | |
| Note 13 Supplies and Services | √ | √ | None | | |
| Note 14 Depreciation and Amortisation | √ | √ | None | | |
| Note 15 Grants and Purchased Services | √ | | None | | |
| Note 15 Cost of Goods Sold | | √ | TAS 11 | √ | √ |
| Note 16 Borrowing Costs | √ | √ | None | | |
| Note 17 Other Expenses | √ | √ | TAS 12 | | √ |
| Note 18 Waivers, Impairment losses and Write-Offs | √ | √ | TAS 13 | √ | √ |
| Note 19 Act of Grace Payments | √ | | None | | |
| Note 20 Auditor's Remuneration | √ | √ | None | | |

Handout 10: Territory Authority Section Reference Table

| Statement or Note | Applicable to: | | Appears in TAS Section | | |
|--|----------------|-----------------------|------------------------|------------------------------|-----------------------|
| | Departments | Territory Authorities | TAS Reference | Changes to Statement or Note | Changes to Commentary |
| Note 21 Cash and Cash Equivalents | √ | √ | TAS 14 | √ | √ |
| Note 22 Receivables | √ | √ | None | | |
| Note 23 Investments | √ | √ | None | | |
| Note 24 Inventories | √ | √ | TAS 15 | | √ |
| Note 25 Assets Held for Sale | √ | √ | None | | |
| Note 26 Property, Plant & Equipment | √ | √ | TAS 16 | √ | √ |
| Note 27 Investment Properties | √ | √ | None | | |
| Note 28 Intangible Assets | √ | √ | None | | |
| Note 29 Capital Works in Progress | √ | √ | None | | |
| Note 30 Other Assets | √ | √ | None | | |
| Note 31 Payables | √ | √ | None | | |
| Note 32 Interest-bearing Liabilities and Finance Leases | √ | √ | TAS 17 | √ | √ |
| Note 33 Employee Benefits | √ | √ | None | | |
| Note 34 Other Provisions | √ | √ | TAS 18 | √ | |
| Note 35 Other Liabilities | √ | √ | None | | |
| Note 36 Equity | √ | √ | None | | |
| Note 37 Disaggregated Disclosure of Assets and Liabilities | √ | | None | | |
| Note 38 Restructure of Administrative Arrangements | √ | | None | | |
| Note 39 Financial Instruments | √ | √ | None | | |
| Note 40 Commitments | √ | √ | None | | |
| Note 41 Contingent Liabilities and Contingent Assets | √ | √ | None | | |
| Note 42 Interest in a Jointly Controlled Entity | √ | √ | TAS 19 | √ | √ |
| Note 43 Interest in a Jointly Controlled Operation | √ | √ | None | | |
| Note 44 Cash Flow Reconciliation | √ | √ | None | | |
| Note 45 Events Occurring after Balance Date | √ | √ | None | | |
| Note 46 Third Party Monies | √ | √ | None | | |
| Commentary - Discontinuing Operations | √ | √ | None | | |
| Notes 47- 62 <i>Territorial Notes</i> | √ | | None | | |

Reference

AASB 101 para 10 (e)

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(b) Departmental and Territorial Items

The Agency produces Departmental and Territorial financial statements. The Departmental financial statements include income, expenses, assets and liabilities over which the Agency has control. The Territorial financial statements include income, expenses, assets and liabilities that the Agency administers on behalf of the ACT Government, but does not control.

The purpose of the distinction between Departmental and Territorial is to enable an assessment of the Agency's performance against the decisions it has made in relation to the resources it controls, while maintaining accountability for all resources under its responsibility.

The basis of accounting described in paragraph (a) above applies to both Departmental and Territorial financial statements except where specified otherwise.

Reference

FMA Section 27 (3) (c) & (d)

FMA Section 63 (3) (c)

AASB 101 para 10 (e)

AASB 101 para 117

AASB 101 para Aus 15.2 & Aus 15.4

AASB 101 para Aus 15.3

AASB 108 para 10

AASB 101 para 125

Commentary – Note 2: Summary of Significant Accounting Policies

For additional information pertaining to Territory Authorities - please refer to **TAS 8 Note 2: Summary of Significant Accounting Policies**.

Accounting Policy Disclosures

The FMA requires the annual financial statements to include a statement of the accounting policies adopted by the Agency and such other statements as are necessary to fairly reflect the financial operations of the Agency during the year and its financial position at the end of the year.

AASB 101 *Presentation of Financial Statements* requires that a summary of significant accounting policies be presented in the notes to the financial statements. The summary of significant accounting policies must include the measurement basis used in preparing the financial statements and the other accounting policies used that are relevant to an understanding of the financial statements.

The notes must also include a statement that the financial statements are general-purpose financial statements and a statement as to whether the financial statements have been prepared in accordance with Australian Accounting Standards.

In addition to the above mandatory disclosure requirements, the commentary in the standards indicate that it may also be appropriate to indicate the relevant statutory and other requirements adopted in the preparation of the financial statements, such as compliance with the FMA.

Where there is no accounting standard or accounting interpretation, the disclosures should focus on explaining why the policy applied ensures that relevant and reliable information is presented in the financial statements.

Significant Accounting Estimates

AASB 101 requires all key assumptions concerning the future, that have a significant risk of causing material adjustments to carrying amounts of assets and liabilities within the next reporting period, to be disclosed. This disclosure will contain details of their nature and their carrying amounts as at the reporting date.

Except for the significant accounting estimates included in Note 2(ae) *Significant Accounting Judgements and Estimates*, other significant estimates will be specific to each Agency. Where an Agency has made a specific significant accounting estimate this must also be disclosed. For example, the Superannuation Provision Account will have made significant accounting estimates in relation to its superannuation liability.

Impact of Accounting Standards Issued but Yet to be Applied

The model does not contain a complete list of standards issued but not yet applicable. Instead it contains those standards not yet applicable which will apply to most agencies (as at March 2010). This is because agencies do not have to include standards that would never apply to them (eg AASB 129 *Financial Reporting in Hyperinflationary Economies*) in their Note 3 disclosure. As such most agencies will be able to simply use the list contained in the model note, however, additional standards may be issued (which are applicable) between April and the end of June and therefore further standards may need to be included in Note 3. The Accounting Branch will issue an updated Note 3 disclosure in July to assist agencies in picking up additional standards issued in their Note 3 disclosure.

For the information of agencies, the additional standards issued but not yet applicable (as at March 2010) which are not included in the Note 3 disclosures included in the Model are:

- AASB 2 *Share Based Payments* (application date 1 Jan 2010);
- AASB 8 *Operating Segments* (application date 1 Jan 2010);
- AASB 112 *Income Taxes* (application date 1 Jan 2011);
- AASB 124 *Related Party Disclosures* (application date 1 Jan 2011);
- AASB 133 *Earnings per Share* (application date 1 Jan 2011);
- AASB 1023 *General Insurance Contracts* (application date 1 Jan 2011);
- AASB Interpretation 2 *Members' Shares in Co-operative Entities and Similar Instruments* (application date 1 Jan 2011);
- AASB Interpretation 16 *Hedges of a Net Investment in a Foreign Operation* (application date 1 Jan 2011);
- AASB Interpretation 19 *Extinguishing Financial Liabilities with Equity Instruments* (application date 1 Jul 2010);
- AASB Interpretation 1039 *Substantive Enactment of Major Tax Bills in Australia* (application date 1 Jan 2011); and
- AASB Interpretation 1052 *Tax Consolidation Accounting* (application date 1 Jan 2011).

Note, it is recommended that agencies review the above standards to ensure they are in fact never going to apply to that agency.

TAS 8. NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

FMA Section 27(1) & 63(1)

(a) Basis of Accounting

The *Financial Management Act 1996* (FMA) requires the preparation of annual financial statements for ACT Government Agencies.

FMA Section 27(3) & 63(3)
Financial Management
(Periodic and Annual
Financial Statements)
Guidelines 2008 Section 7
& 8
AASB 101 para 10

The FMA and the *Financial Management Guidelines* issued under the Act, requires an Agency's financial statements to include:

- (i) an Operating Statement for the year;
- (ii) a Balance Sheet at the end of the year;
- (iii) a Statement of Changes in Equity for the year;
- (iv) a Cash Flow Statement for the year;
- (v) a Statement of Appropriation for the year;
- (vi) an Operating Statement for each class of output for the year;
- (vii) a summary of the significant accounting policies adopted for the year; and
- (viii) such other statements as are necessary to fairly reflect the financial operations of the Agency during the year and its financial position at the end of the year.

AASB 101 para Aus15.4
FMA Section 27(2) & 63(2)

These general-purpose financial statements have been prepared to comply with 'Generally Accepted Accounting Principles' (GAAP) as required by the FMA. The financial statements have been prepared in accordance with:

AASB 101 para Aus15.2

- (i) Australian Accounting Standards;
- (ii) **International Financial Reporting Standards;** and
- (iii) ACT Accounting Policies.

~~**(b) Departmental and Territorial Items**~~

~~The Agency produces Departmental and Territorial financial statements. The Departmental financial statements include income, expenses, assets and liabilities over which the Agency has control. The Territorial financial statements include income, expenses, assets and liabilities that the Agency administers on behalf of the ACT Government, but does not control.~~

~~The purpose of the distinction between Departmental and Territorial is to enable an assessment of the Agency's performance against the decisions it has made in relation to the resources it controls, while maintaining accountability for all resources under its responsibility.~~

~~The basis of accounting described in paragraph (a) above applies to both Departmental and Territorial financial statements except where specified otherwise.~~

(d) Comparative Figures

FMA Section 63(2)
ACT Accounting Policy

Budget Figures

~~The *Financial Management Act 1996* requires the statements to facilitate a comparison with the Statement of Intent. The budget numbers are as per the Statement of Intent.~~

Prior Year Comparatives

Comparative information has been disclosed in respect of the previous period for amounts reported in the financial statements, except where an Australian Accounting Standard does not require comparative information to be disclosed.

Where the presentation or classification of items in the financial statements is amended, the comparative amounts have been reclassified where practical. Where a reclassification has occurred, the nature, amount and reason for the reclassification is provided.

(f) Revenue Recognition

~~*Taxes, Fees & Fines*~~

AASB 1004 para 30

~~Taxes are recognised as revenue at the time of payment. Fees are either recognised as revenue at the time of payment or when the fee is incurred. Fines are recognised as revenue on the issue of the relevant infringement notice. Where the fine attracts a penalty for late payment, the penalty amount is recognised as revenue on issue of the late payment notice.~~

(i) Borrowing Costs

Handout 11: Departmental and Territorial Items

AASB 123 para Aus8.1 & Aus 26.1
ACT Accounting Policy

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost base of the asset. All other borrowing costs are expensed in the period in which they are incurred.

Reasons for the inclusion in Territory Authority Section

- Output Class operating statements are only required to be presented by prescribed Territory Authorities;
- Some Territory Authorities may comply with International Financial Reporting Standards (IFRSs) and should make a statement of compliance in such cases;
- Territory Authorities are not required to present any Territorial Financial Statements as Authorities do not administer any income or expenses on behalf of the Territory. Therefore, the policy note applicable to Departmental and Territorial reporting should not appear in the Authority's Accounting Policy note;
- The budget numbers appearing in a Territory Authority's Statement are sourced from their Statement of Intent, whereas a Department's is based on their 2009-10 Budget Papers;
- Territory Authorities generally do not collect any Taxes, Fees and Fines revenue, and as such, they will not need to disclose any accounting policy concerning this type of revenue; and
- There has been a change in the accounting policy applicable to Borrowing costs for Territory Authorities that are either for-profit or not considered a public sector entity.

As a result, an amended disclosure is provided above and amended guidance is provided below.

Commentary – Note 2: Summary of Significant Accounting Policies

Operating Statements for each Output Class

The FMA guidelines only require prescribed Territory Authorities to report Output Class Operating Statements. All other Territory Authorities are not required to report this information, and may delete the line referring to it from their Accounting Policy note.

Statement of Compliance with International Financial Reporting Standards (IFRSs)

For-profit Authorities are required to make an explicit and unreserved statement of compliance with IFRS in the notes where for-profit agency's financial statements comply with IFRSs. It is expected that all IFRSs will be complied with by for-profit agencies.

Borrowing Costs

Territory Authorities that are either for-profit, or not considered a public sector entity, will now have to capitalise borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. These entities may still recognise other borrowing costs as an expense in the period in which they are incurred. Territory Authorities that fall into this category will need to make the relevant change in Accounting Policy disclosure (for guidance on how to do this please refer to the Model Supplement: *Presenting Restatements of Comparatives*) as required by AASB 108.

AASB 101 para 16

AASB 123 para 8 & Aus 8.1
ACT Accounting Policy

| Reference | NOTE 34. OTHER PROVISIONS | |
|----------------------------|--|---------------|
| | 2010 | 2009 |
| | \$'000 | \$'000 |
| | Current Other Provisions | |
| AASB 101 para 77 | Provision for Restoration of Contaminated Site | 2,692 |
| AASB 101 para 77 | Provision for Restructuring | 2,502 |
| | Total Current Other Provisions | 5,194 |
| | Non-Current Other Provisions | |
| AASB 101 para 77 | Provision for Restoration of Contaminated Site | 898 |
| AASB 101 para 77 | Provision for Restructuring | 834 |
| | Total Non-Current Other Provisions | 1,732 |
| | Total Other Provisions | 6,926 |
| | Provision for Restructuring | |
| AASB 137 para 85 (a) & (b) | In May 2009, the Agency announced publicly that it would be undertaking a restructuring of a maintenance division that would result in the closure of the division and in 60 employees being made redundant. A detailed formal restructuring plan has been prepared that outlines the timeframe of the restructure along with the cost, division concerned (and its location) and the number of redundant staff. Restructuring is expected to be completed towards the end of the next reporting period. | |
| | Reconciliation of the Provision for Restructuring | |
| AASB 137 para 84 (a) | Provision for Restructuring at the Beginning of the Reporting Period | 1,662 |
| AASB 137 para 84 (b) | Additional Provision Recognised | 1,999 |
| AASB 137 para 84 (c) | Reduction in Provision as a Result of Payments | (35) |
| | Reduction in Provision due to a Change in Accounting Estimate | (290) |
| AASB 137 para 84 (a) | Provision for Restructuring at the End of the Reporting Period | 3,336 |
| | Provision for Restoration of Contaminated Site | |
| AASB 137 para 85 (a) & (b) | In November 2009, it was discovered that waste had leaked from containers and contaminated the area in which they were buried and also contaminated nearby farmland. The Agency has undertaken to clean up the contaminated area where the waste was buried and has therefore taken up a provision for the restoration of this contaminated site as the clean up of this site is expected to be performed over the next two years. | |
| AASB 137 para 88 | There are currently court proceedings under way to determine the Agency's liability in relation to the farmland (see Note 41 <i>Contingent Liabilities and Contingent Assets</i>). | |
| | Reconciliation of the Provision for Restoration of Contaminated Site | |
| AASB 137 para 84 (a) | Provision for Restoration of Contaminated Site at the Beginning of the Reporting Period | - |
| AASB 137 para 84 (b) | Increase in Provision due to a Site becoming Contaminated | 3,590 |
| AASB 137 para 84 (a) | Provision for Restoration of Contaminated Site at the End of the Reporting Period | 3,590 |

Reference

Commentary – Note 34: Other Provisions

For additional information pertaining to Territory Authorities - please refer to **TAS 18 Note 34: Other Provisions**.

AASB 137 para 85

For each class of provision the following must be disclosed:

- a brief description of the nature of the obligation and the expected timing of any resulting outflow of economic benefits;
- an indication of the uncertainties about the amount or timing of those outflows. Where necessary to provide adequate information, an Agency shall disclose the major assumptions made concerning future events;
- the amount of any related estimated reimbursement, stating the amount of any asset recognised for that expected reimbursement; and

AASB 137 para 84

Movements during the reporting period for each class of provision must be disclosed for the current year only (i.e. comparative information is not required) showing separately:

- the carrying amount at the beginning and end of the reporting period;
- additional provisions made in the period (including increases to existing provisions);
- amounts incurred or charged against the provision during the reporting period;
- unused amounts reversed during the reporting period; and
- increases during the period in the discounted amount arising from the passage of time and the effect of any changes in the discount rate.

AASB 137 para 92

In extremely rare cases, where disclosure of information regarding provisions, contingent liabilities or contingent assets is expected to seriously prejudice the position of the Agency, in a dispute with other parties, the Agency need not disclose the information. However, the Agency must provide information regarding the general nature of the dispute, together with the reason for non-disclosure.

Onerous Contracts

AASB 137 para 66 & 68

An onerous contract is a contract in which the unavoidable costs of meeting the obligation under the contract exceed the economic benefits expected to be received under it. The present obligation under an onerous contract shall be recognised and measured as a provision. For example, an Agency operates from an office building which is under a non-cancellable operating lease. The lease on the office building is for a period of seven years (from December 2005 to December 2012). A condition within the lease is that the office building cannot be re-let to another party. During December 2009, the Agency relocated its operations to a new office building. As the lease is non-cancellable, does not allow the building to be re-let and expires in December 2012, the Agency will be required to recognise the unavoidable lease payment (from January 2010 to December 2012) as a provision.

Restructuring and Sale of an Operation

AASB 137 para 78

Where an Agency is restructuring its operations and as part of the restructuring is selling that operation, no obligation arises for the sale until there is a binding sale agreement as well as a constructive obligation.

Recognition of Liabilities

AASB 137 para Aus 26.1

The intention to make payments to other parties, whether advised in the form of a government budget policy, election promise or statement of intent, does not of itself create a present obligation which is binding. A liability would be recognised only when the Agency is committed in the sense that it has little or no discretion to avoid the sacrifice of future economic benefits. For example, a government does not have a present obligation to sacrifice future economic benefits for social welfare payments that might arise in future reporting periods. A present obligation for social welfare payments arises only when entitlement conditions are satisfied for payment during a particular payment period. Similarly, a government does not have a present obligation to sacrifice future economic benefits under multi-year public policy agreements until the grantee meets conditions such as grant eligibility criteria, or has provided the services or facilities required under the grant agreement. In such cases, only amounts outstanding in relation to current or previous periods satisfy the definition of liabilities.

Reference

AASB 137 para Aus 26.2

Commentary – Note 34: Other Provisions - Continued

Such transactions or events may give rise to legal, social, political or economic consequences which leave little, if any, discretion to avoid a sacrifice of future economic benefits. In such circumstances, the definition of a liability is satisfied. An example of such an event is the occurrence of a disaster, where a government has a clear and formal policy to provide financial aid to victims of such disasters. In this circumstance, the government has little discretion to avoid the sacrifice of future economic benefits. However, the liability is recognised only when the amount of financial aid to be provided can be measured reliably.

| TAS 18. NOTE 34: OTHER PROVISIONS | | | |
|-----------------------------------|---|---------------|---------------|
| | NOTE 34. OTHER PROVISIONS (EXTRACT) | | |
| | | 2010 | 2009 |
| | | \$'000 | \$'000 |
| | Current Other Provisions | | |
| AASB 101 para 77 | Provision for Dividends | X,xxx | X,xxx |
| AASB 101 para 77 | Provision for Restoration of Contaminated Site | X,xxx | X,xxx |
| AASB 101 para 77 | Provision for Restructuring | X,xxx | X,xxx |
| | Total Current Other Provisions | <u>X,xxx</u> | <u>X,xxx</u> |
| | Non-Current Other Provisions | | |
| AASB 101 para 77 | Provision for Restoration of Contaminated Site | X,xxx | X,xxx |
| AASB 101 para 77 | Provision for Restructuring | X,xxx | X,xxx |
| | Total Non-Current Other Provisions | <u>X,xxx</u> | <u>X,xxx</u> |
| | Total Other Provisions | <u>X,xxx</u> | <u>X,xxx</u> |
| | Provision for Dividend | | |
| AASB 137 para 85 | The Authority has proposed a final dividend of \$X,xxx and this amount was appropriately authorised to be paid before the end of the reporting period. The amount will be paid to the ACT Government in July 2010. | | |
| | Reconciliation of the Provision for Dividends | | |
| AASB 137 para 84 (a) | Provision for Dividends at the Beginning of the Reporting Period | X,xxx | X,xxx |
| AASB 137 para 84 (b) | Increase in Provision during the year | X,xxx | X,xxx |
| AASB 137 para 84 (c) | Amount Paid during the year | X,xxx | X,xxx |
| AASB 137 para 84 (a) | Provision for Dividends at the End of the Reporting Period | <u>X,xxx</u> | <u>X,xxx</u> |
| | Reasons for the inclusion in Territory Authority Section | | |
| | <ul style="list-style-type: none"> Some Territory Authorities may be required to pay dividends to various entities. Whereas, departments do not have any shareholders and will not be required to pay dividends. | | |
| | As a result, an additional disclosure is provided above. | | |