

Part four

Financial statements

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INDEPENDENT AUDITOR'S REPORT

To the Minister for Trade

Scope

I have audited the accompanying financial statements of the Australian Trade Commission for the year ended 30 June 2009, which comprise: a statement by the Chief Executive and Chief Financial Officer; income statement; balance sheet; statement of changes in equity; cash flow statement; schedules of commitments, contingencies and administered items; a summary of significant accounting policies; and other explanatory notes.

The Responsibility of the Chief Executive Officer for the Financial Statements

The Australian Trade Commission's Chief Executive Officer is responsible for the preparation and fair presentation of the financial statements in accordance with the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997* and the Australian Accounting Standards (including the Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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 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 Australian Trade Commission'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 Australian Trade Commission's internal control. An audit also includes

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evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Australian Trade Commission's Chief Executive Officer, 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 the audit, I have followed the independence requirements of the Australian National Audit Office, which incorporate the requirements of the Australian accounting profession.

Auditor's Opinion

In my opinion, the financial statements of the Australian Trade Commission

- (a) have been prepared in accordance with the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, and the Australian Accounting Standards (including the Australian Accounting Interpretations); and
- (b) give a true and fair view of the matters required by the Finance Minister's Orders including the Australian Trade Commission's financial position as at 30 June 2009 and its financial performance and its cash flows for the year then ended.

Australian National Audit Office



Simon Kidman

Executive Director

Delegate of the Auditor-General

Canberra

6 August 2009

AUSTRALIAN TRADE COMMISSION
STATEMENT BY THE CHIEF EXECUTIVE OFFICER AND CHIEF FINANCE OFFICER

In our opinion, the attached financial statements for the year ended 30 June 2009 are based on properly maintained financial records and give a true and fair view of the matters required by the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*.



Peter O'Byrne
Chief Executive Officer
Australian Trade Commission

5 August 2009



Peter Gunning
Chief Finance Officer
Australian Trade Commission

5 August 2009

**AUSTRALIAN TRADE COMMISSION
INCOME STATEMENT**

for the year ended 30 June 2009

	Notes	2009 \$'000	2008 \$'000
INCOME			
Revenue			
Revenue from government	3A	189,588	170,090
Sale of goods and rendering of services	3B	25,290	30,669
Other revenue	3C	1,992	2,861
Rental income	3D	621	350
Total revenue		217,491	203,970
Gains			
Sale of assets	3E	26	-
Other Gains	3F	160	180
Total gains		186	180
Total Income		217,677	204,150
EXPENSES			
Employee benefits	4A	112,474	107,562
Suppliers	4B	87,677	82,459
Depreciation and amortisation	4C	17,436	16,304
Write-Down and impairment of assets	4D	63	55
Loss from asset sales	4E	-	6
Grants	4F	135	-
Foreign Exchange Losses	4G	1,158	(407)
Total Expenses		218,943	205,979
Surplus (Deficit)		(1,266)	(1,829)
Surplus (Deficit) attributable to the Australian Government		(1,266)	(1,829)

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

**AUSTRALIAN TRADE COMMISSION
BALANCE SHEET**

as at 30 June 2009

	Notes	2009 \$'000	2008 \$'000
ASSETS			
Financial Assets			
Cash and cash equivalents	5A	4,133	4,223
Trade and other receivables	5B	<u>41,860</u>	<u>40,063</u>
Total financial assets		<u>45,993</u>	<u>44,286</u>
Non-Financial Assets			
Land and buildings	6A,6C	17,264	19,551
Infrastructure, plant and equipment	6B,6C	16,150	18,263
Intangibles	6D,6E	13,050	11,835
Other non-financial assets	6F	<u>7,331</u>	<u>7,715</u>
Total non-financial assets		<u>53,795</u>	<u>57,364</u>
Total Assets		<u>99,788</u>	<u>101,650</u>
LIABILITIES			
Payables			
Suppliers	7A	12,047	13,119
Other payables	7B	<u>4,167</u>	<u>5,687</u>
Total payables		<u>16,214</u>	<u>18,806</u>
Provisions			
Employee provisions	8A	29,834	29,150
Other provisions	8B	-	30
Total provisions		<u>29,834</u>	<u>29,180</u>
Total Liabilities		<u>46,048</u>	<u>47,986</u>
Net Assets		<u>53,740</u>	<u>53,664</u>
EQUITY			
Contributed equity		13,267	13,154
Reserves		58,441	57,212
Retained surpluses (accumulated deficits)		<u>(17,968)</u>	<u>(16,702)</u>
Total Equity		<u>53,740</u>	<u>53,664</u>
Current Assets		51,941	50,809
Non-Current Assets		47,847	50,841
Current Liabilities		41,203	42,954
Non-Current Liabilities		4,845	5,032

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

AUSTRALIAN TRADE COMMISSION
STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2009

Item	Retained Earnings		Asset Revaluation Reserves		General Reserve		Contributed Equity/Capital		Total Equity	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	(16,702)	(14,873)	19,422	21,532	37,790	37,790	13,154	8,281	53,664	52,730
Income and expenses	-	-	294	(2,110)	-	-	-	-	294	(2,110)
Income and expenses recognised directly in equity Revaluation adjustment	-	-	294	(2,110)	-	-	-	-	294	(2,110)
Subtotal income and expenses recognised directly in equity	(1,266)	(1,829)	-	-	-	-	-	-	(1,266)	(1,829)
Surplus (Deficit) for the period	(1,266)	(1,829)	294	(2,110)	-	-	-	-	(972)	(3,939)
Total income and expenses	-	-	-	-	-	-	-	-	-	-
Transactions with owners	-	-	-	-	-	-	-	-	-	-
<i>Contributions by Owners</i>	-	-	-	-	-	-	113	4,873	113	4,873
Appropriations (equity injections)	-	-	-	-	-	-	-	-	-	-
Restructuring	-	-	-	-	935	-	-	-	935	-
Sub-total Transactions with Owners	-	-	-	-	935	-	113	4,873	1,048	4,873
Closing balance as at 30 June	(17,968)	(16,702)	19,716	19,422	38,725	37,790	13,267	13,154	53,740	53,664
Closing balance attributable to the Australian Government	(17,968)	(16,702)	19,716	19,422	38,725	37,790	13,267	13,154	53,740	53,664

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

**AUSTRALIAN TRADE COMMISSION
CASH FLOW STATEMENT**

for the year ended 30 June 2009

	Notes	2009 \$'000	2008 \$'000
OPERATING ACTIVITIES			
Cash received			
Goods and services		24,381	30,346
Appropriations		185,183	168,283
GST received from ATO		4,393	4,532
Other		2,480	3,638
Total cash received		216,437	206,799
Cash used			
Employees		112,051	103,356
Suppliers		90,704	87,998
Total cash used		202,755	191,354
Net cash from operating activities	10	13,682	15,445
INVESTING ACTIVITIES			
Cash received			
Proceeds from sales of property, plant and equipment		332	325
Total cash received		332	325
Cash used			
Purchase of property, plant and equipment		17,412	17,971
Total cash used		17,412	17,971
Net cash used by investing activities		(17,080)	(17,646)
FINANCING ACTIVITIES			
Cash received			
Appropriations - contributed equity		3,308	3,509
Total cash received		3,308	3,509
Net cash from financing activities		3,308	3,509
Net increase or (decrease) in cash held		(90)	1,308
Cash and cash equivalents at the beginning of the reporting period		4,223	2,915
Cash and cash equivalents at the end of the reporting period	5A	4,133	4,223

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

**AUSTRALIAN TRADE COMMISSION
SCHEDULE OF COMMITMENTS**

as at 30 June 2009

	2009	2008
	\$'000	\$'000
BY TYPE		
Commitments receivable		
Sublease rental income	(732)	(1,156)
GST recoverable on commitments	<u>(3,614)</u>	<u>(4,860)</u>
Total commitments receivable	<u>(4,346)</u>	<u>(6,016)</u>
Capital commitments		
Infrastructure, plant and equipment ¹	<u>449</u>	1,470
Total capital commitments	449	1,470
Other commitments		
Operating leases ²	63,636	74,733
Other commitments ³	<u>8,669</u>	<u>13,386</u>
Total other commitments	<u>72,305</u>	<u>88,119</u>
Net commitments by type	<u>68,408</u>	<u>83,573</u>
BY MATURITY		
Commitments receivable		
Operating lease income		
One year or less	(600)	(558)
From one to five years	<u>(132)</u>	<u>(598)</u>
Total operating lease income	<u>(732)</u>	<u>(1,156)</u>
Other commitments receivable		
One year or less	(1,272)	(1,272)
From one to five years	<u>(2,154)</u>	<u>(3,184)</u>
Over five years	<u>(188)</u>	<u>(404)</u>
Total other commitments receivable	<u>(3,614)</u>	<u>(4,860)</u>
Commitments payable		
Capital commitments		
One year or less	<u>449</u>	1,470
Total capital commitments	<u>449</u>	<u>1,470</u>
Operating lease commitments		
One year or less	16,083	17,369
From one to five years	40,668	47,531
Over five years	<u>6,885</u>	<u>9,833</u>
Total operating lease commitments	<u>63,636</u>	<u>74,733</u>
Other commitments		
One year or less	7,953	6,976
From one to five years	716	6,371
Over five years	<u>-</u>	<u>39</u>
Total other commitments	<u>8,669</u>	<u>13,386</u>
Net commitments by maturity	<u>68,408</u>	<u>83,573</u>

NB: Commitments were GST inclusive where relevant.

**AUSTRALIAN TRADE COMMISSION
SCHEDULE OF COMMITMENTS (continued)**

as at 30 June 2009

- ¹ Infrastructure, plant and equipment commitments are primarily contracts for purchases of leasehold improvements and motor vehicles.
- ² Operating leases, which relate primarily to office/residential accommodation and computer equipment, are effectively non-cancellable; they comprise:

Nature of lease	General description of leasing arrangement
Office and residential accommodation	The Commission has leases with the Commonwealth, Department of Foreign Affairs and Trade and commercial landlords in Australia and overseas on terms and conditions negotiated in each market. The terms and conditions of the leases vary widely depending on the circumstances in the relevant country and the specific terms of each lease.
Computer equipment	The lessor provides all computer equipment and software designated as necessary under a supply contract of 6 years. The initial equipment has an average life of between 2.5 and 3 years from the commencement of the contract.

- ³ Other commitments mainly comprise contracts for the supply of telecommunication links and for the TradeStart program.

**AUSTRALIAN TRADE COMMISSION
SCHEDULE OF CONTINGENCIES**

as at 30 June 2009

Contingent Liabilities	Total	
	2009	2008
	\$'000	\$'000
Claims for damages/costs ¹	2,575	566
Total Contingent Liabilities	2,575	566

- ¹ The above estimated contingent liabilities represents the potential liabilities in relation to claims for damages or costs made against the Commission.

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

AUSTRALIAN TRADE COMMISSION SCHEDULE OF ADMINISTERED ITEMS

	Notes	2009 \$'000	2008 \$'000
Income administered on behalf of Government <i>for the year ended 30 June 2009</i>			
Revenue			
Non-taxation revenue			
Other revenue	15	<u>1,653</u>	<u>1,038</u>
Total non-taxation revenue		<u>1,653</u>	<u>1,038</u>
Total revenues administered on behalf of Government		<u>1,653</u>	<u>1,038</u>
Expenses administered on behalf of Government <i>for the year ended 30 June 2009</i>			
Employee benefits	16A	6,424	6,504
Suppliers	16B	1,818	2,358
Grants	16C	<u>191,941</u>	<u>152,021</u>
Total expenses administered on behalf of Government		<u>200,183</u>	<u>160,883</u>
Assets administered on behalf of Government <i>as at 30 June 2009</i>			
Financial assets			
Cash and cash equivalents	17A	-	1
Receivables	17B	<u>127</u>	<u>1,547</u>
Total financial assets		<u>127</u>	<u>1,548</u>
Other non-financial assets	17C	<u>202</u>	-
Total assets administered on behalf of Government		<u>329</u>	<u>1,548</u>
Liabilities administered on behalf of Government <i>as at 30 June 2009</i>			
Payables			
Suppliers	18C	214	198
Other payables	18D	<u>92</u>	<u>122</u>
Total payables		<u>306</u>	<u>320</u>
Provisions			
Employee provisions	18A	2,043	1,930
Other Provisions	18B	<u>9,243</u>	<u>3,182</u>
Total provisions		<u>11,286</u>	<u>5,112</u>
Total liabilities administered on behalf of Government		<u>11,592</u>	<u>5,432</u>

This schedule should be read in conjunction with the accompanying notes.

**AUSTRALIAN TRADE COMMISSION
SCHEDULE OF ADMINISTERED ITEMS**

	2009	2008
	\$'000	\$'000
Administered Cash Flows		
<i>for the year ended 30 June 2009</i>		
OPERATING ACTIVITIES		
Cash received		
Other revenue	3,038	16
Other - GST received from ATO	<u>117</u>	<u>183</u>
Total cash received	<u>3,155</u>	<u>199</u>
Cash used		
Employees	6,341	6,341
Suppliers	2,085	2,573
Export Market Development Grants (EMDG)	<u>185,880</u>	<u>150,269</u>
Total cash used	<u>194,306</u>	<u>159,183</u>
Net cash flows from (used by) operating activities	<u>(191,151)</u>	<u>(158,984)</u>
Net Increase (Decrease) in Cash Held	(191,151)	(158,984)
Cash and cash equivalents at the beginning of the reporting period	1	10
Cash from Official Public Account for:		
- Appropriations	<u>194,413</u>	<u>159,200</u>
Cash to Official Public Account for:		
- Other	<u>(3,263)</u>	<u>(225)</u>
Cash and cash equivalents at the end of the reporting period	17A <u>-</u>	<u>1</u>

This schedule should be read in conjunction with the accompanying notes.

**AUSTRALIAN TRADE COMMISSION
SCHEDULE OF ADMINISTERED ITEMS**

	2009	2008
	\$'000	\$'000
Administered Commitments		
<i>as at 30 June 2009</i>		
BY TYPE		
Commitments receivable		
GST recoverable on commitments	<u>(198)</u>	(260)
Total commitments receivable	<u>(198)</u>	(260)
Commitments payable		
Operating leases	2,000	2,670
Other commitments	<u>180</u>	198
Total other commitments	<u>2,180</u>	2,868
Net commitments by type	<u>1,982</u>	2,608
BY MATURITY		
Commitments receivable		
Other commitments receivable		
One year or less	(65)	(70)
From one to five years	(133)	(167)
Over five years	<u>-</u>	(23)
Total other commitments receivable	<u>(198)</u>	(260)
Commitments payable		
Operating lease commitments		
One year or less	537	603
From one to five years	1,463	1,810
Over five years	<u>-</u>	257
Total operating lease commitments	<u>2,000</u>	2,670
Other commitments		
One year or less	180	173
From one to five years	<u>-</u>	25
Total other commitments	<u>180</u>	198
Net commitments by maturity	<u>1,982</u>	2,608

NB: All commitments are GST inclusive where relevant.

This schedule should be read in conjunction with the accompanying notes.

**AUSTRALIAN TRADE COMMISSION
SCHEDULE OF ADMINISTERED ITEMS**

Administered Contingencies
as at 30 June 2009

Administered Contingent Liabilities	TOTAL	
	2009	2008
	\$'000	\$'000
Claims for damages/costs ¹	5,145	3,170
Total Administered Contingent Liabilities	5,145	3,170

¹ The above estimated contingent liabilities represents the maximum potential liabilities for damages and costs in relation to EMDG scheme cases before the Administrative Appeals Tribunal and cases under general appeal to Austrade.

This schedule should be read in conjunction with the accompanying notes.

AUSTRALIAN TRADE COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2009

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Notes to and forming part of the Financial Statements

Note 1: Summary of Significant Accounting Policies

1.1 Objectives of Australian Trade Commission

The Australian Trade Commission (the Commission) is an Australian Government controlled entity.

The Commission is the Australian Government's export and international business development agency. It delivers:

- Export and outward investment services;
- Foreign direct investment services;
- Administration of the Export Market Development Grants (EMDG) Scheme;
- Initiatives designed to improve community awareness of, and commitment to, international trade and investment;
- Advice to the Australian Government about, and coordination of, its export and international business development activities; and
- Consular, passport and immigration services in designated overseas locations.

The Commission is structured to meet two outcomes:

Outcome 1: Australians succeeding in international business with widespread community support.

Output 1.1: Export and International Business Services.

Output 1.2: Trade Development Schemes (Export Market Development Grants).

Output 1.3: Foreign Direct Investment Services.

Output 1.4: Government Advice and Coordination.

Output 1.5: Awareness raising.

Outcome 2: Australians informed about and provided access to consular, passport and immigration services in specific locations overseas.

Output 2.1: Consular, passport and immigration services.

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

Notes to and forming part of the Financial Statements

1.2 Basis of Preparation of the Financial Report

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

The financial statements and notes have been prepared in accordance with:

- Finance Minister's Orders (or FMO), for the reporting periods ending on or after 1 July 2008.
- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial report been prepared on an accrual basis and is in accordance with the historical cost convention, except for certain assets 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 report is presented in Australian dollars and values are rounded to the nearest thousand dollars unless otherwise specified.

Unless an alternative treatment is specifically required by an Accounting Standard or the FMO, assets and liabilities are recognised in the Balance Sheet when and only when it is probable that future economic benefits will flow to the Commission and the amounts of the assets or liabilities can be reliably measured. However, assets and liabilities arising under agreements equally proportionately unperformed are not recognised unless required by an Accounting Standard. Liabilities and assets which are unrecognised are reported in the Schedule of Commitments and the Schedule of Contingencies as appropriate.

Unless alternative treatment is specifically required by an Accounting Standard, income and expenses are recognised in the Income Statement when and only when the flow, consumption or loss of economic benefits has occurred and can be reliably measured.

Administered revenues, expenses, assets and liabilities and cash flows reported in the Schedule of Administered Items and related notes are accounted for on the same basis and using the same policies as for Departmental items, except where otherwise stated at Note 1.19.

1.3 Significant Accounting Judgements and Estimates

In the process of applying the accounting policies listed in this note, the Commission has made the following judgements that have the most significant impact on the amounts recorded in the financial statements:

- The fair value of leasehold improvements has been taken to be the depreciated replacement cost as determined by an independent valuer by reference to the gross replacement cost.
- The fair value of plant and equipment has been determined by reference to the market value of similar assets.
- The liability for long service leave has been estimated using present value techniques, which take account of attrition rates and pay increases through promotion and inflation.
- The liability for grants lodged and payable under the EMDG Scheme but not yet determined has been estimated by reference to payment histories in previous years.
- The liability for grant appeals lodged under the EMDG Scheme but not yet finalised has been estimated by reference to successful appeals histories in previous years.
- The provision for impairment for administered assets has been determined by reference to the likely outcome for each debt; the provision for impairment for departmental assets has been determined by reference to collection histories in previous years and the current debt profile.

Notes to and forming part of the Financial Statements

No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next reporting period.

1.4 Changes in Australian Accounting Standards

Australian Accounting Standards require a statement of compliance with International Financial Reporting Standards (IFRS) to be made where the financial report complies with these standards. Some Australian Equivalents to IFRS and other Australian Accounting Standards contain requirements specific to non-for-profit entities that are inconsistent with IFRS requirements. The Commission is a not for profit entity and has applied these requirements, so while this financial report complies with Australian Accounting Standards including Australian Equivalents to International Financial Reporting Standards (AEIFRS) it cannot make this statement.

Adoption of new Australian Accounting Standard requirements

No accounting standard has been adopted earlier than the application date as stated in the standard. The following new standards and amendments to standards are applicable to the current reporting period but have no material financial impact on the Commission:

AASB 1004 Contributions

Incorporates the requirements from AAS 27, 29 and 31 regarding contributions (for example, taxes, appropriations and grants). It also defines 'restructures of administrative arrangements' and specifies that these are in the nature of transactions with owners, that is, transfers of assets and liabilities are adjusted against equity on a net basis.

AASB 1050 Administered Items

Adopts disclosure requirements for administered income, expenses, assets and liabilities by government departments from AAS 29, without substantial amendment. However, there is now an explicit requirement to disclose details of the broad categories of recipients and amounts of transfer payments (eg pensions, unemployment benefits, grants and subsidies).

AASB 1052 Disaggregated Disclosures

Specifies principles for reporting financial information about service costs and achievements by government departments and by function or activity by local governments. A significant change is the requirement to disclose the assets and liabilities reliably attributable to each major activity of a government department.

Future Australian Accounting Standard requirements

The following new standards, amendments to standards or interpretations have been issued by the Australian Accounting Standards Board but are effective for future reporting periods. It is estimated that the impact of adopting these pronouncements when effective will have no material financial impact on future reporting periods.

AASB 101 Presentation of Financial Statements (issued September 2007)

This Standard introduces the notion of a 'complete set of financial statements', which amends the structure and format of face statements and notes. Major changes include replacing the balance sheet with a statement of financial position, and replacing the income statement with a statement of comprehensive income. The statement of comprehensive income will include all income and expense items, including those previously recognised in equity, such as asset revaluation increments.

AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB 101

Amends 29 Australian Accounting Standards and eight Interpretations as a result of the revised AASB 101. Further to the amendments enacted by AASB 101, AASB 2007-8 also changes the terms 'general purpose financial report' to 'general purpose financial statements' and 'financial report' to 'financial statements'. These amendments have been made to better align with IFRS terminology.

AASB 2007-10 Further Amendments to Australian Accounting Standards arising from AASB 101

Cosmetic changes to a large number of standards to bring their language into line with language in the revised AASB 101.

Notes to and forming part of the Financial Statements

1.5 Revenue

Revenues from Government - Output Appropriation

Amounts appropriated for departmental output appropriations for the year (adjusted for any formal additions and reductions) are recognised as revenue when the Commission gains control of the appropriation, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned.

Appropriations receivable are recognised at their nominal amounts.

Resources Received Free of Charge

Resources received free of charge are recognised as revenue when and only when a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense.

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 (refer to Note 1.7).

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

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 seller retains no managerial involvement nor 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 entity.

Revenue from rendering of services is recognised by reference to the stage of completion of contracts at the reporting date. The revenue is recognised when:

- the amount of revenue, stage of completion and transaction costs incurred can be reliably measured; and
- the probable economic benefits associated with the transaction will flow to the entity.

The stage of completion of contracts at the reporting date is determined by reference to the proportion that costs incurred to date bear to the total estimated costs of the transaction.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any provision for bad and doubtful debts. Collectability of debts is reviewed at balance date. Provisions are made when collectability of the debt is no longer probable.

1.6 Sale of Assets

Sale of Assets

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

Notes to and forming part of the Financial Statements

1.7 Transactions with the Government as Owner

Equity Injections

Amounts appropriated which are designated as 'equity injections' for a year (less any formal reductions) are recognised directly in Contributed Equity in that year.

Restructuring of Administrative Arrangements

Net assets received from, or relinquished to, another Australian Government agency or authority under a restructuring of administrative arrangements are adjusted at their book value directly against contributed equity.

1.8 Employee Benefits

Benefits

Liabilities for services rendered by employees at reporting date are recognised to the extent that they have not been settled.

Liabilities for 'short-term employee benefits' (as defined in AASB 119 Employee Benefits) and termination benefits due within twelve months of balance date 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.

All other employee benefit liabilities are measured at the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date.

Leave

The liability for employee benefits includes provision for annual leave and long service leave.

No provision is made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of the Commission is estimated to be less than the annual entitlement for sick leave.

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 Commission'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 is estimated using present value techniques, which take account of attrition rates and pay increases through promotion and inflation.

For employees engaged overseas, liabilities for separation entitlements are calculated in accordance with local labour conditions.

Separation and Redundancy

Provision is only made for other separation and redundancy benefit payments where the Commission has a detailed formal plan for the terminations and there is no realistic possibility of withdrawal.

Superannuation

Australian based staff of the Commission are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), the Public Sector Superannuation accumulation plan (PSSap), and a small number of other complying funds nominated by employees.

Notes to and forming part of the Financial Statements

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 and Deregulation as an administered item.

The Commission makes employer superannuation contributions to the Australian Government at rates determined by an actuary to be sufficient to meet the cost to the Government of the superannuation entitlements of the Commission's employees. The Commission pays compulsory employer contributions to other complying funds.

For employees engaged overseas, the Commission pays employer contributions to meet its superannuation obligations, which vary according to local employment conditions.

The liability for superannuation recognised as at 30 June represents outstanding contributions for the final fortnight of the year and other amounts payable in relation to 2008-09.

1.9 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 benefits incidental to ownership of leased non-current 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 benefits.

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 property or, if lower, the present value of minimum lease payments at the beginning of the lease term and a liability is recognised at the same time and measured at the same amount. The discount rate used is the interest rate implicit in the lease. Finance 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.

The net present value of future net outlays in respect of surplus space under non-cancellable lease agreements is expensed in the period in which the space becomes surplus.

Security deposits in relation to overseas property leases are payable to the Commission on the termination of individual leases. These deposits are classified as current or non-current receivables as appropriate.

Lease incentives taking the form of payments from landlords, subsidised fitout, or rental holidays, are recognised as liabilities. These liabilities are reduced by allocating future lease payments between rental expense and reduction of the liability.

1.10 Cash

Cash and cash equivalents includes net cash on hand and at banks and deposits held at call with banks. Cash is recognised at its nominal amount.

Notes to and forming part of the Financial Statements

1.11 Financial Assets and Liabilities

Recognised financial assets and liabilities

Financial assets and liabilities are measured at fair value. In practice this means that receivables are measured at their nominal amounts, less any provisions for bad or doubtful debts (allowance for impairment losses). Provisions are made when collection of the debt is judged to be less rather than more likely. Trade creditors and accruals are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced) and measured at their nominal amounts, being the amounts at which they will be settled.

1.12 Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent assets are not recognised in the balance sheet but are reported in the relevant Schedule and notes. They may arise from uncertainty as to the existence of a liability or asset, or may represent an asset or liability in respect of which the amount cannot be reliably measured. Remote contingencies are part of this disclosure. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

1.13 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 revenues 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.

1.14 Property, Plant and Equipment

Asset Recognition Threshold

Purchases of property, plant and equipment, are recognised initially as assets and measured at cost in the balance sheet, except for items costing less than \$5,000 (\$3,500 for computer equipment), which are expensed in the year of acquisition other than where they form part of a group of similar items which are significant in total.

Revaluations

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

<i>Asset class</i>	<i>Fair value measured at:</i>
Land and Buildings	
-Leasehold improvements	Depreciated replacement cost
Infrastructure plant and equipment	
-Plant and equipment	Market selling price

Revaluation details for each class of assets are shown below:

<i>Asset class</i>	<i>Last revaluation:</i>	<i>Next revaluation due:</i>
Land and Buildings		
-Leasehold improvements	30 June 2009	30 June 2010
Infrastructure plant and equipment		
- Plant and equipment	30 June 2007	30 June 2010

Notes to and forming part of the Financial Statements

Following initial recognition at cost, property, plant and equipment are carried at fair value less subsequent accumulated depreciation and accumulated 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. 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 through operating result. Revaluation decrements for a class of assets are recognised directly through operating result 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.

Assets which are surplus to requirements are measured at their net realisable value. At 30 June 2009, the Commission had no surplus assets (30 June 2008: \$nil).

Depreciation

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

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

	<u>2009</u>	<u>2008</u>
Leasehold improvements	Lease term	Lease term
Plant and equipment	3 to 10 years	3 to 10 years

Depreciation rates (useful lives) and methods are reviewed at each reporting date, and necessary adjustments are made in the current, or current and future reporting periods, as appropriate. Residual values are re-estimated only when assets are revalued.

Impairment

All assets were assessed for impairment at 30 June 2009. 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.

No indicators of impairment were found for assets at fair value.

1.15 Intangibles

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

Software development projects in progress, where future economic benefits are assessed as probable, are recognised progressively as assets and measured at cost. Amortisation begins when the asset is first put into use or held ready for use.

Software is amortised on a straight-line basis over its anticipated useful life. The useful lives of the Commission's software are 3 to 8 years (2007-08: 3 to 8 years).

All software assets were assessed for impairment at 30 June 2009. 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.

Notes to and forming part of the Financial Statements

1.16 Taxation / Competitive Neutrality

Taxation

The Commission has a general exemption from Australian taxation. The Commission is required to comply with specific taxation legislation where the exemption does not apply, the most significant being Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST) which is accounted for in accordance with UIG 1031 Accounting for the Goods and Services Tax.

The Commission also pays various in-country taxes applicable to its overseas operations.

Revenues, expenses and assets are measured net of GST except where the amount of GST incurred is not recoverable from the Australian Taxation Office and except for receivables and payables.

Competitive Neutrality

The Commission has not been required to make any competitive neutrality payments.

1.17 Foreign Currency

Transactions denominated in a foreign currency are translated to Australian currency using the exchange rate at the date of the transaction. At reporting date, foreign currency receivables and payables are translated at the exchange rates current as at that date. All exchange gains and losses are recognised as revenues or expenses, as appropriate.

The Commission's operating budget funding for overseas activities is adjusted for any differences in realised foreign exchange transactions during the year against rates set at budget time by the Department of Finance and Deregulation. Adjustments are generally made to the Appropriation Bills in the current or following year. Any amounts so receivable or payable at the end of the reporting period are recognised as assets or liabilities as appropriate.

1.18 Insurance

The Commission has adopted a conservative approach to the management of its exposure to insurable risks through the purchase of commercial insurance. Insurance policies cover risks to Commission property in Australia and overseas, together with public liability, workers' compensation and other relevant risks.

Notes to and forming part of the Financial Statements

1.19 Reporting of Administered Activities

Administered revenues, expenses, assets, liabilities and cash flows are disclosed in the Schedule of Administered Items 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.

Administered Cash Transfers to and from the Official Public Account

Revenue collected by the Commission on behalf of the Government is administered revenue. Collections are transferred to the Official Public Account (OPA) maintained by the Department of Finance and Deregulation. 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 Commission on behalf of the Government, and are reported as such in the Administered Cash Flows in the Schedule of Administered Items and in the Administered Reconciliation Table in Note 19. The schedule of administered items largely reflects the Governments's transactions, through the agency, with parties outside the Government.

Grants and Loans

The Commission, on behalf of the Government, administers certain grants and loans relating to the Export Market Development Grants Scheme (EMDG) and the International Trade Enhancement Scheme (ITES). Loans are measured at the balance of principal outstanding. Provision is made for impaired loans to the extent that collection of the loan or part thereof is judged to be less rather than more likely. Interest is recognised as revenue as it is earned.

Export Market Development Grants are brought to account when deemed payable in accordance with the provisions of the Export Market Development Grants Act 1997. However, a provision is also recognised at the end of the financial year for the likely payments arising from grants claims lodged but not yet finalised based on prior years' payment history.

Change in Accounting Policy

The Commission has recognised an administered provision for grant payments of \$1.850m for grant appeals lodged but not finalised at the end of the financial year. The provision can be reliably measured by reference to prior years' payment histories.

Note 2: Events after Balance Sheet Date

There were no events after balance sheet date.

Note 3: Income

	2009	2008
	\$'000	\$'000
Revenue		
<u>Note 3A: Revenue from government</u>		
Appropriations:		
Departmental outputs	<u>189,588</u>	170,090
Total revenue from Government	<u>189,588</u>	<u>170,090</u>
<u>Note 3B: Sale of Goods and Rendering of Services</u>		
Rendering of services - related entities	8,449	11,585
Rendering of services - external entities	<u>16,841</u>	19,084
Total rendering of services	<u>25,290</u>	<u>30,669</u>

Notes to and forming part of the Financial Statements

	2009	2008
	<u>\$'000</u>	<u>\$'000</u>
Note 3C: Other revenue		
Other	1,992	2,861
Total other revenue	1,992	2,861
Note 3D: Rental income		
Property rentals (operating lease)	621	350
Total rental income	621	350
<i>Sale of assets</i>		
Note 3E: Sale of Assets		
Investments:		
Property		
Proceeds from sale	-	-
Carrying value of assets disposed	(18)	-
Net loss from sale of land and buildings	(18)	-
Plant and equipment:		
Proceeds from sale	355	-
Carrying value of assets disposed	(302)	-
Net gain from sale of plant and equipment	53	-
Intangibles:		
Proceeds from sale	-	-
Carrying value of assets disposed	(9)	-
Net loss from disposal of intangibles	(9)	-
Total proceeds from disposals	355	-
Total value of assets disposed	(329)	-
Net gain from sale of assets	26	-
Note 3F: Other Gains		
Resources free of charge: Financial statement audit services	160	180
Total other gains	160	180
Note 4: Expenses		
Note 4A: Employee benefits		
Wages and salaries	102,604	95,654
Superannuation		
Defined contribution plans	1,636	1,300
Defined benefit plans	5,014	4,770
Fringe benefits tax	1,684	1,820
Separation entitlements	1,536	4,018
Total employee benefits	112,474	107,562

Notes to and forming part of the Financial Statements

	2009	2008
	<u>\$'000</u>	<u>\$'000</u>
Note 4B: Suppliers		
Rendering of services - related entities	646	674
Rendering of services - external entities	62,886	59,289
Operating lease rentals - related entities:		
Minimum lease payments	5,189	5,667
Operating lease rentals - external parties:		
Minimum lease payments	18,061	15,833
Workers compensation premiums	136	463
Other supplier expenses	759	533
Total supplier expenses	<u>87,677</u>	<u>82,459</u>
Note 4C: Depreciation and Amortisation		
<i>Depreciation</i>		
Infrastructure, plant and equipment	5,986	4,953
Buildings	5,376	6,026
Total depreciation	<u>11,362</u>	<u>10,979</u>
<i>Amortisation</i>		
Intangibles - computer software	6,074	5,325
Total depreciation and amortisation	<u>17,436</u>	<u>16,304</u>
Note 4D: Write-Down and Impairment of Assets		
Asset write-downs and impairments from:		
Impairment on financial instruments	63	55
Total write-down and impairment of assets	<u>63</u>	<u>55</u>
Note 4E: Losses from Assets Sales		
Land and buildings		
Proceeds from sale	-	(3)
Carrying value of assets sold	-	19
Net loss from sale of land and buildings	<u>-</u>	<u>16</u>
Plant and equipment		
Proceeds from sale	-	(402)
Carrying value of assets sold	-	392
Net gain from sale of plant and equipment	<u>-</u>	<u>(10)</u>
Total proceeds from disposals	-	(405)
Total net book value of assets disposed	-	411
Total losses from assets sales	<u>-</u>	<u>6</u>
Note 4F: Grants		
Private sector	135	-
Total grants	<u>135</u>	<u>-</u>

Notes to and forming part of the Financial Statements

	2009	2008
	<u>\$'000</u>	<u>\$'000</u>
Note 4G: Foreign Exchange Losses		
Non-speculative	1,158	(407)
Total foreign exchange losses	<u>1,158</u>	<u>(407)</u>
Note 5: Financial Assets		
Note 5A: Cash and Cash Equivalents		
Cash at bank	3,866	3,976
Cash on hand	78	93
Special accounts	189	154
Total cash and cash equivalents	<u>4,133</u>	<u>4,223</u>
All cash is recognised as a current asset.		
Note 5B: Trade and Other Receivables		
Goods and services		
Related entities	509	844
External entities	4,785	5,233
Total receivables for goods and services	5,294	6,077
Appropriations receivable:		
for existing outputs	36,269	33,483
Total appropriations receivable	36,269	33,483
GST receivable from the Australian Taxation Office	607	813
Total trade and other receivables (gross)	42,170	40,373
Less impairment allowance account:		
Goods and services	(310)	(310)
Total trade and other receivables (net)	<u>41,860</u>	<u>40,063</u>
Receivables are represented by:		
Current	40,623	39,029
Non-current	1,237	1,034
Total trade and other receivables (net)	<u>41,860</u>	<u>40,063</u>
Receivables (gross) are aged as follows:		
Not overdue	41,276	39,133
Overdue by:		
Less than 30 days	176	459
30 to 60 days	145	281
61 to 90 days	276	93
More than 90 days	297	407
	894	1,240
Total receivables (gross)	<u>42,170</u>	<u>40,373</u>
The impairment allowance account is aged as follows:		
Overdue by:		
61 to 90 days	13	-
More than 90 days	297	310
Total impairment allowance account	<u>310</u>	<u>310</u>

Notes to and forming part of the Financial Statements

2009 2008
 \$'000 \$'000

Reconciliation of the impairment allowance account:

Movements in relation to 2009

	Goods and services 2009 \$'000	Other receivables 2009 \$'000	Total 2009 \$'000
Opening balance	310	-	310
Amounts written off	-	-	-
Amounts recovered and reversed	-	-	-
Increase/decrease recognised in net surplus	-	-	-
Closing balance	310	-	310

Movements in relation to 2008

	Goods and services 2008 \$'000	Other receivables 2008 \$'000	Total 2008 \$'000
Opening balance	310	-	310
Amounts written off	-	-	-
Amounts recovered and reversed	-	-	-
Increase/decrease recognised in net surplus	-	-	-
Closing balance	310	-	310

Notes to and forming part of the Financial Statements

	2009	2008
	<u>\$'000</u>	<u>\$'000</u>
Note 6: Non-Financial Assets		
<u>Note 6A: Land and Buildings</u>		
<i>Leasehold improvements</i>		
At 2009 independent valuation (fair value)	15,769	-
At 2008 independent valuation (fair value)	-	17,493
Leasehold improvements - work in progress - at cost	<u>1,495</u>	<u>2,058</u>
<i>Total leasehold improvements</i>	<u>17,264</u>	<u>19,551</u>
<i>Total land and buildings (non-current)</i>	<u>17,264</u>	<u>19,551</u>

The 2009 independent valuation of leasehold improvements was conducted by the independent qualified valuer Colliers International Pty Ltd. The revaluation increment for leasehold improvement was \$0.294m (2007/08 \$2.195m decrement)

No indicators of impairment were found for land and buildings.

Note 6B: Infrastructure, Plant and Equipment

Infrastructure, plant and equipment:

- at cost	12,785	7,658
- Accumulated depreciation	<u>(3,440)</u>	<u>(783)</u>
	<u>9,345</u>	<u>6,875</u>
- at 2007 management valuation (fair value)	12,178	12,270
- accumulated depreciation	<u>(7,239)</u>	<u>(4,060)</u>
	<u>4,939</u>	<u>8,210</u>
Infrastructure, plant and equipment - work in progress - at cost	<u>1,866</u>	<u>3,178</u>
<i>Total infrastructure, plant and equipment (non-current)</i>	<u>16,150</u>	<u>18,263</u>

All revaluations are conducted in accordance with revaluation policy stated at note 1.14.

No indicators of impairment were found for infrastructure, plant and equipment.

Notes to and forming part of the Financial Statements

Note 6C: Analysis of Property, Plant and Equipment

TABLE A - Reconciliation of the opening and closing balances of property, plant and equipment (2008 - 2009)

Item	Buildings - Leasehold Improvements \$'000	Other IP&E \$'000	Total \$'000
As at 1 July 2008			
Gross book value	19,551	23,106	42,657
Accumulated depreciation/amortisation and impairment	-	(4,843)	(4,843)
Net book value 1 July 2008	19,551	18,263	37,814
Additions:			
By purchase	2,813	4,175	6,988
Revaluations and impairments through equity	294	-	294
Depreciation/amortisation expense	(5,376)	(5,986)	(11,362)
Disposals:			
Other disposals	(18)	(302)	(320)
Net book value 30 June 2009	17,264	16,150	33,414
Net book value as of 30 June 2009 represented by:			
Gross book value	17,264	26,829	44,093
Accumulated depreciation/amortisation and impairment	-	(10,679)	(10,679)
	17,264	16,150	33,414

TABLE A - Reconciliation of the opening and closing balances of property, plant and equipment (2007 - 2008)

Item	Buildings - Leasehold Improvements \$'000	Other IP&E \$'000	Total \$'000
As at 1 July 2007			
Gross book value	23,747	12,496	36,243
Accumulated depreciation/amortisation and impairment	-	-	-
Net book value 1 July 2007	23,747	12,496	36,243
Additions:			
By purchase	4,048	11,025	15,073
Revaluations and impairments through equity	(2,195)	85	(2,110)
Depreciation/amortisation expense	(6,026)	(4,953)	(10,979)
Other movements	(4)	2	(2)
Disposals:			
Other disposals	(19)	(392)	(411)
Net book value 30 June 2008	19,551	18,263	37,814
Net book value as of 30 June 2008 represented by:			
Gross book value	19,551	23,106	42,657
Accumulated depreciation/amortisation and impairment	-	(4,843)	(4,843)
	19,551	18,263	37,814

Notes to and forming part of the Financial Statements

	2009	2008
	\$'000	\$'000
Note 6D: Intangibles		
Computer software at cost:		
Internally developed - in progress	<u>4,622</u>	<u>3,654</u>
	<u>4,622</u>	<u>3,654</u>
Internally developed - in use	13,816	9,174
Accumulated amortisation	<u>(7,660)</u>	<u>(5,141)</u>
	<u>6,156</u>	<u>4,033</u>
Externally acquired	13,954	14,730
Accumulated amortisation	<u>(11,682)</u>	<u>(10,582)</u>
	2,272	4,148
Total Computer Software	<u>13,050</u>	<u>11,835</u>
Total intangibles (non-current)	<u>13,050</u>	<u>11,835</u>

No indicators of impairment were found for intangible assets.

Notes to and forming part of the Financial Statements

Note 6E: Analysis of Intangibles

TABLE A - Reconciliation of the opening and closing balances of intangibles (2008 - 2009)

Item	Computer software internally developed \$'000	Computer software purchased \$'000	Total \$'000
As at 1 July 2008			
Gross book value	12,828	14,730	27,558
Accumulated depreciation/amortisation and impairment	(5,141)	(10,582)	(15,723)
Net book value 1 July 2008	7,687	4,148	11,835
Additions			
By purchase or internally developed	6,217	1,081	7,298
Amortisation	(3,124)	(2,950)	(6,074)
Disposals:			
Other disposals	(2)	(7)	(9)
Net book value 30 June 2009	10,778	2,272	13,050
Net book value as at 30 June 2009 represented by:			
Gross book value	18,438	13,954	32,392
Accumulated depreciation/amortisation and impairment	(7,660)	(11,682)	(19,342)
	10,778	2,272	13,050

TABLE A - Reconciliation of the opening and closing balances of intangibles (2007 - 2008)

Item	Computer software internally developed \$'000	Computer software purchased \$'000	Total \$'000
As at 1 July 2007			
Gross book value	14,713	13,220	27,933
Accumulated depreciation/amortisation and impairment	(8,139)	(8,140)	(16,279)
Net book value 1 July 2007	6,574	5,080	11,654
Additions			
By purchase or internally developed	3,948	1,558	5,506
Amortisation	(2,834)	(2,491)	(5,325)
Disposals			
Other disposals	-	-	-
Net book value 30 June 2008	7,688	4,147	11,835
Net book value as of 30 June 2008 represented by:			
Gross book value	12,828	14,730	27,558
Accumulated amortisation and impairment	(5,141)	(10,582)	(15,723)
	7,687	4,148	11,835

Notes to and forming part of the Financial Statements

Note 6F: Other Non-Financial Assets

Prepayments property leases	5,653	5,688
Prepayments other	<u>1,678</u>	<u>2,027</u>
Total other non-financial assets	<u>7,331</u>	<u>7,715</u>

Other non-financial assets are represented by:

Current	7,185	7,557
Non-current	<u>146</u>	<u>158</u>
Total other non-financial assets	<u>7,331</u>	<u>7,715</u>

No indicators of impairment were found for other non-financial assets.

Note 7: Payables

Note 7A: Suppliers

Trade creditors - external entities	9,618	7,659
Other creditors - external entities	1,936	4,918
Other creditors - related entities	438	465
Goods and services tax	<u>55</u>	<u>77</u>
Total suppliers payables	<u>12,047</u>	<u>13,119</u>

Supplier payables - related entities are represented by:

Goods and services tax - current	55	77
Other - current	<u>438</u>	<u>465</u>
Current	<u>493</u>	<u>542</u>

Supplier payables - external parties are represented by:

Trade creditors - current	8,049	5,661
Other creditors - current	<u>1,936</u>	<u>4,918</u>
Current	<u>9,985</u>	<u>10,579</u>
Trade creditors - non-current	<u>1,569</u>	<u>1,998</u>
Non-Current	<u>1,569</u>	<u>1,998</u>
Total supplier payables	<u>12,047</u>	<u>13,119</u>

Settlement is usually made net 30 days.

Note 7B: Other Payables

Unearned revenue - external entities	1,572	3,205
Lease incentives - external entities	1,736	1,872
Salaries and wages	<u>859</u>	<u>610</u>
Total other payables	<u>4,167</u>	<u>5,687</u>

Other payables are represented by:

Current	2,871	4,227
Non-current	<u>1,296</u>	<u>1,460</u>
Total Other Payables	<u>4,167</u>	<u>5,687</u>

Notes to and forming part of the Financial Statements

	2009	2008
	<u>\$'000</u>	<u>\$'000</u>

Note 8: Provisions

Note 8A: Employee Provisions

Salaries and wages	4,045	4,475
Leave	18,533	16,690
Separations and redundancies	<u>7,256</u>	<u>7,985</u>
Total employee provisions	<u>29,834</u>	<u>29,150</u>

Employee provisions are represented by:

Current	27,854	27,576
Non-current	<u>1,980</u>	<u>1,574</u>
Total employee provisions	<u>29,834</u>	<u>29,150</u>

The classification of current includes amounts for which there is not an unconditional right to defer settlement by one year, hence in the case of employee provisions the above classification does not present the amount expected to be settled within one year of reporting date. Employee provisions expected to be settled in twelve months from the reporting date \$13,316,000 (2008: \$12,851,000), in excess of one year \$16,518,000 (2008: \$16,299,000).

Note 8B: Other Provisions

Onerous contracts	-	<u>30</u>
Total other provisions	<u>-</u>	<u>30</u>

All other provisions are current liabilities.

	Provision for onerous contracts
	<u>\$'000</u>
Carrying amount 1 July 2008	30
Additional provisions made	-
Amount used	(30)
Amounts reversed	-
Closing balance 30 June 2009	<u>-</u>

Notes to and forming part of the Financial Statements

2009	2008
\$'000	\$'000

Note 9: Departmental Restructuring

As a result of a restructuring of administrative arrangements, the Commission assumed responsibility for the following functions on 1 July 2008: Inward Investment Promotion and the Global Opportunities Program.

The functions assumed by the Commission have been integrated into the Commission's other export and international business development functions. Accordingly, it is impractical to separately disclose the income and expenses of the new functions.

In respect of the above functions assumed, the net book values of assets and liabilities transferred to the Commission for no consideration and recognised as at the date of transfer were:

Department of Innovation, Industry, Science and Research (DIISR)

Assets recognised

Section 32 Appropriation	<u>1,578</u>	-
Total assets recognised	<u>1,578</u>	-

Liabilities recognised

Long Service Leave - Australia	378	-
Recreation Leave - Australia	<u>265</u>	-
Total liabilities recognised	<u>643</u>	-
Net asset/(liabilities) assumed	<u>935</u>	-

Note 10: Cash Flow Reconciliation

Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flows Statement

Report cash and cash equivalents as per:

Cash flow statement	4,133	4,223
Balance sheet	<u>4,133</u>	<u>4,223</u>
Difference	<u>-</u>	<u>-</u>

Reconciliation of operating result to net cash from operating activities:

Operating result	(1,266)	(1,829)
Depreciation /amortisation	17,436	16,304
Write down of financial assets	63	55
Gain on disposal of assets	(26)	6

Change in operating assets and liabilities resulting from operating activities (net of restructuring):

(Increase) / decrease in net receivables	(5,241)	(2,130)
(Increase) / decrease in prepayments	384	2,386
Increase / (decrease) in employee provisions and payables	423	4,207
Increase / (decrease) in payables	<u>1,909</u>	<u>(3,554)</u>
Net cash from / (used by) operating activities	<u>13,682</u>	<u>15,445</u>

Notes to and forming part of the Financial Statements

Note 11: Contingent Liabilities and Assets

Quantifiable Contingencies

The Schedule reports contingent liabilities in respect of claims for damages and costs of \$2,575,000 (2008: \$566,000). The estimate represents the potential liabilities in relation to claims for damages or costs made against the Commission.

Remote Contingencies

The Commission has provided bank guarantees for a total of \$662,603 in relation to property leases for the Frankfurt Office \$642,401 and Lima Office \$20,202.

Note 12: Senior Executive Remuneration

	<u>2009</u>	<u>2008</u>
The number of senior executives who received or were due to receive total remuneration of \$130,000 or more:		
\$130 000 to \$144 999	3	-
\$145 000 to \$159 999	-	2
\$160 000 to \$174 999	-	1
\$175 000 to \$189 999	5	6
\$190 000 to \$204 999	5	6
\$205 000 to \$219 999	8	2
\$220 000 to \$234 999	2	2
\$235 000 to \$249 999	3	-
\$250 000 to \$264 999	2	3
\$265 000 to \$279 999	2	1
\$280 000 to \$294 999	1	-
\$295 000 to \$309 999	1	3
\$310 000 to \$324 999	1	-
\$325 000 to \$339 999	1	-
\$370 000 to \$384 999	-	2
\$400 000 to \$414 999	-	1
\$430 000 to \$445 000	-	2
\$445 000 to \$459 999	1	-
Total	<u>35</u>	<u>31</u>

The aggregate amount of total remuneration of senior executives shown above. **\$7,935,533** \$7,659,196

The aggregate amount of separation and redundancy/termination benefit related to senior executives included above. **\$81,942** \$1,095,502

Note 13: Remuneration of Auditors

	<u>2009</u>	<u>2008</u>
	<u>\$</u>	<u>\$</u>
Financial statement audit services were provided free of charge to the Commission.		
The fair value of the services provided was:		
Audit of the Australian Trade Commission's financial statements	<u>160,000</u>	<u>180,000</u>
	<u>160,000</u>	<u>180,000</u>

No other services are provided by the Auditor-General.

Notes to and forming part of the Financial Statements

Note 14: Financial Instruments

Note 14A: Fair Value of Financial Instruments

	Carrying amount 2009 \$'000	Fair Value 2009 \$'000	Carrying amount 2008 \$'000	Fair value 2008 \$'000
Financial Assets				
Cash	4,133	4,133	4,223	4,223
Receivables for goods and services	4,984	4,984	5,767	5,767
Total carrying amount of financial assets	9,117	9,117	9,990	9,990
Financial Liabilities				
Trade and other creditors	11,554	11,554	12,577	12,577
Other payables	4,167	4,167	5,687	5,687
Total carrying amount of financial liabilities	15,721	15,721	18,264	18,264

Financial Assets

The net fair values of cash and non-interest bearing monetary financial assets approximate their carrying amounts.

Financial liabilities

The net fair values for trade, other creditors and payables approximate their carrying amounts.

Note 14B: Credit Risk

The Commission's senior management has endorsed policies and procedures for debt management (including the provision of credit terms) to minimise the incidence of credit risk.

The Commission has no significant exposures to any concentrations of credit risk.

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

Ageing of financial assets that are past due but not impaired for 2009

	0 to 30 days \$'000	31 to 60 days \$'000	61 to 90 days \$'000	90+ days \$'000	Total \$'000
Goods and services	4,400	176	145	263	4,984
Total	4,400	176	145	263	4,984

Ageing of financial assets that are past due but not impaired for 2008

	0 to 30 days \$'000	31 to 60 days \$'000	61 to 90 days \$'000	90+ days \$'000	Total \$'000
Goods and services	4,837	459	281	190	5,767
Total	4,837	459	281	190	5,767

Notes to and forming part of the Financial Statements

Note 14C: Liquidity Risk

The Commission undertakes cash forecasting to ensure it can meet its financial liabilities as they fall due.

Maturities for financial liabilities 2009

	On demand 2009 \$'000	within 1 year 2009 \$'000	1 to 2 years 2009 \$'000	2 to 5 years 2009 \$'000	> 5 years 2009 \$'000	Total 2009 \$'000
Supplier payables	9,683	302	373	1,134	62	11,554
Other payables	2,431	440	400	796	100	4,167
Total	12,114	742	773	1,930	162	15,721

Maturities for financial liabilities 2008

	On demand 2008 \$'000	within 1 year 2008 \$'000	1 to 2 years 2008 \$'000	2 to 5 years 2008 \$'000	> 5 years 2008 \$'000	Total 2008 \$'000
Supplier payables	10,434	145	145	1,540	313	12,577
Other payables	3,815	412	412	896	152	5,687
Total	14,249	557	557	2,436	465	18,264

Notes to and forming part of the Financial Statements

Note 14D: Market risk

Currency risk

Foreign currency risk refers to the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Commission is exposed to foreign exchange currency risk primarily through undertaking certain transactions denominated in foreign currency.

The Commission is exposed to foreign exchange risk for many currencies.

The following table details the effect on the profit and equity as at 30 June from a 12% favourable/unfavourable change in the Australian dollar against all currencies with other variables held constant.

	Risk variable	Change in risk variable %	Effect on	
			Profit and loss 2009 \$'000	Equity 2009 \$'000
Currency risk	Exposed currencies	12.00	636	636
Currency risk	Exposed currencies	(12.00)	(636)	(636)

	Risk variable	Change in risk variable %	Effect on	
			Profit and loss 2008 \$'000	Equity 2008 \$'000
Currency risk	Exposed currencies	12.00	364	364
Currency risk	Exposed currencies	(12.00)	(364)	(364)

The above amounts relate to the unrealised foreign exchange movements. Realised movements in foreign exchange are covered by adjustments to the Commission's Appropriations.

The method used to arrive at the possible risk of 12% was based on both statistical and non-statistical analyses. The statistical analysis has been based on main currencies movement for the last five years. The five main currencies the Commission has exposure to are US dollars, Euros, Chinese Remimbi, Japanese Yen and Indian Rupees. This information is then revised and adjusted for reasonableness under the economic circumstances.

A standard rate of 12% is considered reasonable because it is reasonably possible that there will be greater volatility compared to that which has been experienced in recent years, however not to the extent of the extraordinary volatility experienced in 2008-09.

Interest rate risk

The Commission has no material exposure to interest rate risk.

Other price risk

The Commission is exposed to a variety of immaterial commodity price risks relating to various supply contracts.

Notes to the Schedule of Administered Items

	2009	2008
	\$'000	\$'000
Note 15: Income Administered on Behalf of Government		
Non-Taxation Revenues		
Other revenue		
Other	1,653	1,038
Total other revenue	1,653	1,038
Total Revenues Administered on Behalf of Government	1,653	1,038
Note 16: Expenses Administered on Behalf of Government		
Note 16A: Employee Benefits		
Wages and salaries	5,576	5,711
Superannuation:		
Defined contribution plans	205	182
Defined benefit plans	607	599
Fringe benefits tax	16	7
Other employee expenses	20	5
Total employee benefits expense	6,424	6,504
Note 16B: Suppliers		
Provision of goods - external parties	127	157
Rendering of services - related parties	-	613
Rendering of services - external parties	1,003	984
Impairment allowance	86	-
Operating lease rentals - external parties:		
Minimum lease payments	602	604
Total suppliers	1,818	2,358
Note 16C: Grants		
Export Market Development grants - private sector	191,941	152,021
Total grants expense	191,941	152,021
Total Expenses Administered on Behalf of Government	200,183	160,883

Notes to the Schedule of Administered Items

	2009 \$'000	2008 \$'000	
Note 17: Assets Administered on Behalf of Government			
<u>Financial Assets</u>			
<u>Note 17A: Cash and cash equivalents</u>			
Cash at bank	-	1	
Total cash and cash equivalents	-	1	
<u>Note 17B: Receivables</u>			
Loans	-	-	
Private Sector	-	1,500	
	-	1,500	
GST receivable from the Australian Taxation Office	54	24	
Other receivables	158	23	
Less: impairment allowance account:			
Goods and services	(85)	-	
Total receivables (net)	127	1,547	
Receivables were aged as follows:			
Not overdue	84	47	
Overdue by:			
More than 90 days	128	1,500	
Total receivables	212	1,547	
The impairment allowance account is aged as follows:			
Not overdue	-	-	
Overdue by:			
More than 90 days	85	-	
Total impairment allowance account	85	-	
Goods and services receivables are with entities external to the Australian Government. Credit terms were net 30 days (2008: 30 days).			
Reconciliation of the impairment allowance account:			
Movements in relation to 2009			
	Advances and Loans 2009 \$'000	Other Receivables 2009 \$'000	Total 2009 \$'000
Opening balance	-	-	-
Increase/(decrease) recognised in net surplus	-	85	85
Closing balance	-	85	85
Movements in relation to 2008			
	Advances and Loans 2008 \$'000	Other Receivables 2008 \$'000	Total 2008 \$'000
Opening balance	1,000	-	1,000
Increase/(decrease) recognised in net surplus	(1,000)	-	(1,000)
Closing balance	-	-	-
Total Financial Assets		127	1,548

Notes to the Schedule of Administered Items

	2009 \$'000	2008 \$'000
Note 17: Assets Administered on Behalf of Government (continued)		
<u>Note 17C: Other non-financial assets</u>		
Prepayments	202	-
Total Non-Financial Assets	202	-
Total Assets Administered on Behalf of Government	329	1,548
Note 18: Liabilities Administered on Behalf of Government		
Provisions		
<u>Note 18A: Employee Provisions</u>		
Leave	2,043	1,930
Total employee provisions	2,043	1,930
<u>Note 18B: Grants</u>		
EMDG grants payable	9,243	3,182
Total other provisions	9,243	3,182
Total Provisions	11,286	5,112
Payables		
<u>Note 18C: Suppliers</u>		
Trade creditors	205	198
Other creditors	9	-
Total suppliers	214	198
All creditors are entities that are not part of the Australian Government. Settlement is usually made net 30 days.		
<u>Note 18D: Other Payables</u>		
Salaries and wages	92	122
Total other payables	92	122
Total Payables	306	320
Total Liabilities Administered on Behalf of Government	11,592	5,432

Notes to the Schedule of Administered Items

	2009 \$'000	2008 \$'000
Note 19: Administered Reconciliation Table		
<i>for the year ended 30 June 2009</i>		
Opening administered assets less administered liabilities as at 1 July	(3,884)	(3,014)
Plus: Administered revenues	1,653	1,038
Less: Administered expenses	(200,183)	(160,883)
Administered transfers to/from Australian Government:		
Annual Appropriation transfers from OPA	194,413	159,200
Transfers to OPA	(3,262)	(225)
<u>Closing administered assets less administered liabilities as at 30 June 2009</u>	<u>(11,263)</u>	<u>(3,884)</u>

Note 20: Administered Financial Instruments

Note 20A: Fair Value of Financial Instruments

	Carrying amount 2009 \$'000	Fair value 2009 \$'000	Carrying amount 2008 \$'000	Fair value 2008 \$'000
Financial Assets				
Cash	-	-	1	1
Receivables	127	127	1,547	1,547
Total carrying amount of financial assets	127	127	1,548	1,548
Financial Liabilities				
Supplier and other payables	306	306	320	320
Grants payable	9,243	9,243	3,182	3,182
Total carrying amount of financial liabilities	9,549	9,549	3,502	3,502

Financial assets

The net fair values of cash and non-interest bearing monetary financial assets approximate their carrying amounts.

Financial liabilities

The net fair values for trade, other creditors and payables approximate their carrying amounts.

There is no significant exposure to credit, liquidity or market risk.

Note 21: Administered Contingent Liabilities

Quantifiable Administered Contingencies that are not remote are disclosed in the Schedule of Administered Items.

The Commission has no unquantifiable or remote Administered contingencies.

Notes to and forming part of the Financial Statements

Note 22: Appropriations

Table A: Acquittal of the Commission to Draw Cash from the Consolidated Revenue Fund for Ordinary Annual Services Appropriations

Particulars	Administered Expenses		Departmental Outputs		Total
	Outcome 1				
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	
Balance brought forward from previous period	3,043	7,359	27,665	30,708	29,428
<i>Appropriations Act:</i>					
<i>Appropriation Act (No. 1) 2008 - 2009</i>	150,400	159,280	180,397	170,343	329,623
<i>Appropriation Act (No. 3) 2008 - 2009</i>	-	-	-	2,226	2,226
Administered appropriation lapsed (<i>Appropriation Act</i> section 8)	-	(5,879)	-	-	(5,879)
Advance to the Finance Minister (<i>Appropriation Act</i> section 14)	50,000	-	-	-	50,000
FMA Act:					
Refunds credited (FMA section 30)	-	-	-	1,460	1,460
Appropriations to take account of recoverable GST (FMA Act section 30A)	117	183	4,393	4,532	4,510
Annotations to net appropriations (FMA sec 31)	-	-	27,252	32,849	32,849
Adjustment of appropriations on change of entity function (FMA Act s32)	-	-	1,578	-	1,578
Total appropriations available for payments	203,560	160,943	241,285	233,479	394,422
Cash payments made during the year (GST inclusive)	193,553	157,900	216,919	205,814	363,714
Balance of Authority to draw cash from the Consolidated Revenue Fund for Ordinary Annual Services Appropriations	10,007	3,043	24,366	27,665	34,373
<i>Represented by:</i>					
Cash at bank and on hand	-	-	4,133	4,223	4,133
Receivables - departmental appropriation	-	-	26,943	20,961	26,943
Receivables - departmental appropriations (awaiting reduction)	-	-	5,813	2,481	5,813
Receivables - departmental appropriations (awaiting declaration)	-	-	(12,523)	-	(12,523)
Undrawn, unexpired administered appropriations	10,007	3,042	-	-	10,007
Total as at 30 June 2009	10,007	3,043	24,366	27,665	34,373
					30,708

Notes to and forming part of the Financial Statements

Note 22: Appropriations (continued)

Table A: Acquittal of the Commission to Draw Cash from the Consolidated Revenue Fund for Ordinary Annual Services Appropriations (continued)

Particulars	Administered Expenses		Departmental Outputs		Total	
	Outcome 1					
	2009	2008	2009	2008	2009	2008
	\$	\$	\$	\$	\$	\$'000
Reduction in administered items^{1,2}						
Total administered items appropriated	200,400,000	-			200,400,000	-
<i>Appropriation Act (No. 1) 2008-2009</i>	200,182,645	-			200,182,645	-
Total administered items required by the agency	200,182,645	-			200,182,645	-
Total reduction in administered items - effective 2009-2010	217,355	-			217,355	-

¹ Administered items for 2008-2009 were reduced to these amounts when these financial statements were tabled in the Parliament as part of the Commission's 2008-2009 annual report. This reduction is effective in 2009-2010 and the amounts in the Total Reduction row will be reflected in the top section of Table A in the 2009-2010 financial statements in the row 'Administered appropriations reduced'.

² This is the first year of administered items being reduced under section 11. Numbers in this section of the table are not rounded.

2008 Comparatives have been restated to correct prior year errors, increasing the amount shown as available by \$2.481 million. These will be increased following a Determination by the Finance Minister.

Notes to and forming part of the Financial Statements

Note 22: Appropriations (continued)

Table B: Acquittal of the Commission to Draw Cash from the Consolidated Revenue Fund for Other than Ordinary Annual Services Appropriations

Particulars	Operating Outcome 1				Non-operating				Total
	SPPs		NAE		Equity		Previous years' outputs		
	2009	2008	2009	2008	2009	2008	2009	2008	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Balance brought forward from previous period (<i>Appropriation Acts</i>)	-	-	-	-	-	-	-	-	-
<i>Appropriation Act (No.2) 2008 - 2009 as passed</i>	-	-	-	-	113	4,873	-	3,733	113
Previous Years Outputs (included in 06-07 Appropriations Receivable) (<i>Appropriation Act</i> section 13)	-	-	-	-	-	-	-	(3,733)	-
Total appropriations available for payments	-	-	-	-	12,635	16,031	-	-	12,635
Cash payments made during the year (GST inclusive)	-	-	-	-	(3,308)	(3,509)	-	-	(3,308)
Balance of authority to draw cash from the consolidated revenue fund for other than ordinary annual services appropriations and as represented by:	-	-	-	-	9,327	12,522	-	-	9,327
<i>Represented by:</i>									
Departmental appropriation receivable	-	-	-	-	9,327	12,522	-	-	9,327
Total as at 30 June 2009	-	-	-	-	9,327	12,522	-	-	9,327

Table C: Acquittal of Authority to Draw Cash from the Consolidated Revenue Fund - Special Appropriations (Limited Amount)

	2009	2008
Australian Trade Commission Amendment Act 2006 schedule 5, section 16(2) appropriation to new EMA Austrade of old CAC Austrade money vested in Commonwealth.	\$'000	\$'000
Amount available carried from previous period	1,233	2,540
Available for payments	1,233	2,540
Cash payments made during the year (GST inclusive)	718	1,307
Amount available carried to the next period	515	1,233
Undrawn, unexpired administered appropriations	515	1,233
Total	515	1,233

Notes to and forming part of the Financial Statements

Note 23: Special Accounts

Administered Payments and Receipts for Other Entities	2009	2008
	\$'000	\$'000
<i>Legal Authority: FMA Act 1997;s20</i>		
<i>Purpose: To make payments overseas on behalf of other entities, and to make payments to other entities for amounts received overseas on their behalf.</i>		
Balance carried from previous year	100	100
Costs recovered	9,225	9,038
Total credits	(9,325)	(9,138)
Payments made	9,225	9,038
Balance carried to next period (excluding investment balances) and represented by:	100	100
Cash	100	100

Other Trust Monies	2009	2008
	\$'000	\$'000
<i>Legal Authority: FMA Act 1997: S20</i>		
<i>Purpose: For the expenditure of monies temporarily held on trust or otherwise for the benefit of a person other than the Commonwealth</i>		
Balance carried from previous year	54	77
Other receipts	785	650
Total credits	839	727
Payments made	(750)	(673)
Balance carried to next period (excluding investment balances) and represented by:	89	54
Cash	89	54

Notes to and forming part of the Financial Statements

Note 24: Reporting of Outcomes

As the Commission is a services organisation its outputs are directly related to the time its service staff spend on the provision of services. Business Unit Managers complete an annual survey of time spent on outputs which is then crossed with the cost of operating the Business Units to arrive at costs directly attributable to each output. These costs are converted to percentages which are then used as drivers to allocate full costs (that is all direct and indirect costs) to each output.

Note 24A: Net Cost of Outcome/Delivery

	Outcome 1		Outcome 2		Total	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Expenses						
Administered expenses	200,183	160,883	-	-	200,183	160,883
Departmental expenses	205,793	193,620	13,150	12,359	218,943	205,979
Total expenses	405,976	354,503	13,150	12,359	419,126	366,862
Costs recovered from provision of goods and services to the non-government sector						
Departmental	16,841	19,084	-	-	16,841	19,084
Total costs recovered	16,841	19,084	-	-	16,841	19,084
Other external income						
Administered	-	1	-	-	-	1
Sale of goods and services	1,653	1,038	-	-	1,653	1,038
Other	1,653	1,039	-	-	1,653	1,039
Total Administered						
Departmental	5,658	9,011	2,791	2,574	8,449	11,585
Goods and Services Income from Related Entities	26	-	-	-	26	-
Net gain from disposals of assets	-	407	-	-	-	407
Foreign exchange gains	621	350	-	-	621	350
Property rentals	1,992	3,041	-	-	1,992	3,041
Other revenue	160	-	-	-	160	-
Other gains	8,457	12,809	2,791	2,574	11,248	15,383
Total Departmental	10,110	13,848	2,791	2,574	12,901	16,422
Total other external income	379,025	321,571	10,359	9,785	389,384	331,356
Net cost/(contribution) of outcome						

Outcomes 1 and 2 are described in Note 1.1. Net costs shown include intra-government costs that are eliminated in calculating the actual Budget outcome. Refer to Outcome 1 Resourcing Table and Outcome 2 Resourcing Table of this Annual Report.

Notes to and forming part of the Financial Statements

Note 24: Reporting of Outcomes (continued)

Note 24B: Major Classes of Departmental Income and Expenses by Output Groups and Outputs

Outcome 1	Output Group 1.1		Output Group 1.3		Output Group 1.4	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Departmental expenses						
Employees	85,863	91,428	9,572	-	3,048	3,227
Suppliers	66,933	70,090	7,461	-	2,376	2,474
Depreciation and amortisation	13,311	13,858	1,484	-	473	489
Grants	135	-	-	-	-	-
Write down of assets	48	47	5	-	-	2
Foreign exchange loss (gain)	884	(346)	99	-	31	(12)
Loss from asset sales	-	5	-	-	2	-
Total departmental expenses	167,174	175,082	18,621	-	5,930	6,180
Funded by:						
Departmental income						
Income from government	137,342	131,683	11,712	-	11,378	10,807
Sale of goods and services	22,499	28,095	-	-	-	-
Other	1,992	2,861	-	-	-	-
Property rentals	622	350	-	-	-	-
Other gains	160	180	-	-	-	-
Gain from disposal of assets	26	-	-	-	-	-
Total departmental income	162,641	163,169	11,712	-	11,378	10,807

Notes to and forming part of the Financial Statements

Note 24: Reporting of Outcomes (continued)

Note 24B: Major Classes of Departmental Income and Expenses by Output Groups and Outputs (continued)

	Output 1.5		Total	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Departmental expenses				
Employees	7,232	6,454	105,715	101,109
Suppliers	5,638	4,948	82,408	77,512
Depreciation and amortisation	1,121	978	16,389	15,325
Grants	-	-	135	-
Write down of assets	4	3	57	52
Foreign exchange loss	74	(24)	1,088	(382)
Loss from asset sales	-	-	2	5
Total Departmental expenses	14,069	12,359	205,794	193,621
Funded by:				
Departmental income				
Income from government	18,986	18,033	179,418	160,523
Sale of goods and services	-	-	22,499	28,095
Other	-	-	1,992	2,861
Property rentals	-	-	622	350
Other gains	-	-	160	180
Gain from disposal of assets	-	-	26	-
Total departmental income	18,986	18,033	204,717	192,009

Notes to and forming part of the Financial Statements

Note 24: Reporting of Outcomes (continued)

Note 24B: Major Classes of Departmental Income and Expenses by Output Groups and Outputs (continued)

Outcome 2	Output Group 2.1		Outcome 2 Total	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Departmental expenses				
Employees	6,760	6,454	6,760	6,454
Suppliers	5,269	4,948	5,269	4,948
Depreciation and amortisation	1,048	978	1,048	978
Write down of assets	4	3	4	3
Foreign exchange loss	70	(24)	70	(24)
Total departmental expenses	13,151	12,359	13,151	12,359
Funded by:				
Income from government	10,170	9,567	10,170	9,567
Sale of goods and services	2,791	2,574	2,791	2,574
Total departmental income	12,961	12,141	12,961	12,141

Outcomes 1 and 2 are described in Note 1.1. Net costs shown include intra-government costs that are eliminated in calculating the actual Budget outcome. Refer to Outcome 1 Resourcing Table and Outcome 2 Resourcing Table of this Annual Report.

Notes to and forming part of the Financial Statements

Note 24: Reporting of Outcomes (continued)

Note 24C: Major Classes of Departmental Assets and Liabilities by Outcomes

	Outcome 1		Outcome 2		Total	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Departmental assets						
Cash and cash equivalents	3,885	3,970	248	253	4,133	4,223
Trade and other receivables	39,344	37,659	2,516	2,404	41,860	40,063
Land and buildings	16,226	18,378	1,038	1,173	17,264	19,551
Infrastructure, plant and equipment	15,179	17,167	971	1,096	16,150	18,263
Intangibles	12,266	11,125	784	710	13,050	11,835
Other non-financial assets	6,890	7,252	441	463	7,331	7,715
Total departmental assets	93,790	95,551	5,998	6,099	99,788	101,650
Departmental liabilities						
Suppliers	11,323	12,332	724	787	12,047	13,119
Other payables	3,917	5,345	250	341	4,167	5,686
Employee provisions	28,041	27,401	1,793	1,749	29,834	29,150
Other provisions	--	28	--	2	--	30
Total costs recovered	43,281	45,106	2,767	2,879	46,048	47,985

Departmental assets and liabilities are attributed to outcomes using the same methodology as for expenses.

Notes to and forming part of the Financial Statements

Note 24: Reporting of Outcomes (continued)

Note 24D: Major Classes of Administered Income, Expenses, Assets and Liabilities by Outcomes

	Outcome 1		Total	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Administered income				
Sale of goods and services	-	1	-	1
Other	1,653	38	1,653	38
Reversal of Previous Asset Write-Downs and Impairment	-	1,000	-	1,000
Net gain from sale of assets	-	-	-	-
Total Administered income	1,653	1,039	1,653	1,039
Administered expenses				
Grants	191,941	152,021	191,941	152,021
Suppliers	1,818	2,358	1,818	2,358
Employees	6,424	6,504	6,424	6,504
Total Administered expenses	200,183	160,883	200,183	160,883
Administered assets				
Cash	-	1	-	1
Receivables	127	1,547	127	1,547
Other non-financial assets	202	-	202	-
Total Administered assets	329	1,548	329	1,548
Administered liabilities				
Suppliers	214	198	214	198
Other payables	92	122	92	122
Employee provisions	2,043	1,930	2,043	1,930
Other provisions	9,243	3,182	9,243	3,182
Total Administered liabilities	11,592	5,432	11,592	5,432

Outcomes 1 and 2 are described in Note 1.1. Net costs shown include intra-government costs that are eliminated in calculating the actual Budget outcome. Refer to Outcome 1 Resourcing Table and Outcome 2 Resourcing Table of this Annual Report.