

## ARIA financial statements

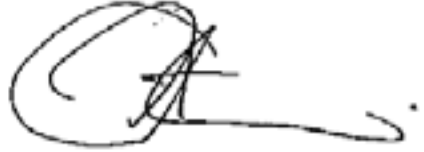
### AUSTRALIAN REWARD INVESTMENT ALLIANCE STATEMENT BY CHAIRMAN AND CHIEF EXECUTIVE

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*.



**Winsome Hall**  
Chairman of the Board

15 September 2009



**Lochiel Crafter**  
Chief Executive Officer

15 September 2009

## ARIA financial statements

**AUSTRALIAN REWARD INVESTMENT ALLIANCE****INCOME STATEMENT**

For the period ended 30 June 2009

	Notes	2009 \$'000	2008 \$'000
<b>INCOME</b>			
<b>Revenue</b>			
Sale of goods and rendering of services	4.1	16 733	14 428
<b>Total Revenue</b>		<b>16 733</b>	<b>14 428</b>
<b>Gains</b>			
Other gains	4.2	24	20
<b>Total Gains</b>		<b>24</b>	<b>20</b>
		<b>16 757</b>	<b>14 448</b>
<b>EXPENSES</b>			
Employee benefits	5.1	9 259	8 007
Suppliers	5.2	5 945	5 971
Depreciation and amortisation	5.3	464	370
Losses from asset sales	5.4	7	10
<b>TOTAL EXPENSES</b>		<b>15 675</b>	<b>14 358</b>
<b>Net Surplus Attributable to the Australian Government</b>		<b>1 082</b>	<b>90</b>

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

## ARIA financial statements

### AUSTRALIAN REWARD INVESTMENT ALLIANCE

#### BALANCE SHEET

As at 30 June 2009

	Notes	2009 \$'000	2008 \$'000
<b>ASSETS</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	6.1	2 593	1 374
Trade and other receivables	6.2	1 114	3 277
<b>Total financial assets</b>		<b>3 707</b>	<b>4 651</b>
<b>Non-Financial Assets</b>			
Property, plant and equipment	7.1	2 120	2 285
Other non-financial assets	7.2	63	109
<b>Total non-financial assets</b>		<b>2 183</b>	<b>2 394</b>
<b>TOTAL ASSETS</b>		<b>5 890</b>	<b>7 045</b>
<b>LIABILITIES</b>			
<b>Payables</b>			
Suppliers	8.1	163	1 113
Other payables	8.2	1 103	2 513
<b>Total payables</b>		<b>1 266</b>	<b>3 626</b>
<b>Provisions</b>			
Employees	9.1	967	845
<b>Total provisions</b>		<b>967</b>	<b>845</b>
<b>TOTAL LIABILITIES</b>		<b>2 233</b>	<b>4 471</b>
<b>NET ASSETS</b>		<b>3 657</b>	<b>2 574</b>
<b>EQUITY</b>			
Contributed equity		1 343	1 343
Reserves		589	588
Retained surplus		1 725	643
<b>TOTAL EQUITY</b>		<b>3 657</b>	<b>2 574</b>
<b>Current assets</b>		<b>3 770</b>	<b>4 759</b>
<b>Non-current assets</b>		<b>2 120</b>	<b>2 285</b>
<b>Current liabilities</b>		<b>1 895</b>	<b>4 155</b>
<b>Non-current liabilities</b>		<b>338</b>	<b>315</b>

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

## ARIA financial statements

### AUSTRALIAN REWARD INVESTMENT ALLIANCE

#### CASH FLOW STATEMENT

For the period ended 30 June 2009

	Notes	2009 \$'000	2008 \$'000
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Goods and services		16 448	16 165
<b>Total cash received</b>		<b>16 448</b>	<b>16 165</b>
<b>Cash used</b>			
Employees		8 888	7 779
Suppliers		6 037	6 924
<b>Total cash used</b>		<b>14 925</b>	<b>14 703</b>
<b>Net cash from operating activities</b>	10	<b>1 523</b>	<b>1 462</b>
<b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Proceeds from sale of property, plant and equipment		-	-
<b>Total cash received</b>		<b>-</b>	<b>-</b>
<b>Cash used</b>			
Purchase of property, plant and equipment		304	1 602
<b>Total cash used</b>		<b>304</b>	<b>1 602</b>
<b>Net cash from (used by) investing activities</b>		<b>( 304)</b>	<b>(1 602)</b>
<b>FINANCING ACTIVITIES</b>			
<b>Cash used</b>			
Cash used for other financing activities		-	-
<b>Total cash used</b>		<b>-</b>	<b>-</b>
<b>Net cash used by financing activities</b>		<b>-</b>	<b>-</b>
<b>Net increase/(decrease) in cash held</b>		1 219	( 140)
Cash at beginning of the reporting period		1 374	1 514
<b>Cash at end of the reporting period</b>	6.1	<b>2 593</b>	<b>1 374</b>

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

## ARIA financial statements

**AUSTRALIAN REWARD INVESTMENT ALLIANCE**  
**STATEMENT OF CHANGES IN EQUITY**  
**As at 30 June 2009**

	Retained Earnings		Asset Revaluation		Contributed Equity/Capital		Total Equity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
<b>Opening Balance</b>	<b>643</b>	553	<b>589</b>	588	<b>1 343</b>	1 343	<b>2 575</b>	2 484
<b>Income and expenses</b>								
Revaluation adjustment	-	-	-	1	-	-	-	1
Surplus for the period	<b>1 082</b>	90	-	-	-	-	<b>1 082</b>	90
<b>Total income and expenses recognised directly in equity</b>	<b>1 082</b>	90	-	1	-	-	<b>1 082</b>	91
<b>Closing balance at 30 June</b>	<b>1 725</b>	643	<b>589</b>	589	<b>1 343</b>	1 343	<b>3 657</b>	2 575

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

## ARIA financial statements

### AUSTRALIAN REWARD INVESTMENT ALLIANCE SCHEDULE OF COMMITMENTS As at 30 June 2009

BY TYPE	2009 \$'000	2008 \$'000
<b>Commitments receivable</b>		
GST recoverable on commitments	463	563
<b>Total commitments receivable</b>	<b>463</b>	<b>563</b>
<b>Commitments payable</b>		
<b>Other commitments</b>		
Operating leases <sup>1</sup>	(5 099)	(6 191)
<b>Total other commitments</b>	<b>(5 099)</b>	<b>(6 191)</b>
<b>Net commitments by type</b>	<b>(4 636)</b>	<b>(5 628)</b>
 <b>BY MATURITY</b>		
<b>Commitments receivable</b>		
One year or less	102	99
From one to five years	361	464
Over five years	-	-
<b>Total other commitments</b>	<b>463</b>	<b>563</b>
<b>Operating lease commitments</b>		
One year or less	(1 125)	(1 092)
From one to five years	(3 974)	(5 099)
Over five years	-	-
<b>Total operating lease commitments</b>	<b>(5 099)</b>	<b>(6 191)</b>
<b>Net commitments by maturity</b>	<b>(4 636)</b>	<b>(5 628)</b>

<sup>1</sup> Operating leases included are effectively non-cancellable and comprise of lease for office accommodation. Lease payments are subject to periodic CPI or indexed increases.

## ARIA financial statements

### **AUSTRALIAN REWARD INVESTMENT ALLIANCE NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS For the period ended 30 June 2009**

#### **Note 1 Summary of Significant Accounting Policies**

##### **1.1 Objectives of the Australian Reward Investment Alliance**

The objective of Australian Reward Investment Alliance ('ARIA') (ABN 48 882 817 243) is to provide superannuation services that meet the expectations of government, employers, members and beneficiaries, and which comply with the superannuation regulatory environment.

ARIA administers the Public Sector Superannuation Scheme ('PSS'), Commonwealth Superannuation Scheme ('CSS') and Public Sector Superannuation Accumulation Plan ('PSSap'), and is responsible for the management and investment of the respective assets.

In its capacity as a prescribed agency under the *Financial Management and Accountability Act 1997*, ARIA conducts these activities through the ARIA Special Account, an account held with the Reserve Bank of Australia.

The Schemes invest solely in ARIA Investments Trust - a pooled superannuation trust under ARIA's trusteeship. Such investment facilitates access to a broad range of underlying securities across various asset classes on an efficient and cost-effective basis.

ARIA's sole source of income is from external sources, and therefore no appropriations are included.

During the period ended 30 June 2009, ARIA's activities were funded through:

(i) an agreed share of the scheme administration charges collected by ComSuper from employers participating in PSS, CSS and PSSap; and

(ii) charges to the ARIA Investments Trust to recover the cost of administering and managing the PSS Fund, CSS Fund and PSSap Fund.

##### **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* and are a general purpose financial report.

## ARIA financial statements

The Financial Statements and notes have been prepared in accordance with:

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

The financial report has 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 entity or a future sacrifice of economic benefits will be required 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 that are unrecognised are reported in the schedule of commitments and the schedule of contingencies.

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.

### 1.3 Significant Accounting Judgements and Estimates

In the process of applying the accounting policies listed in this note, ARIA has made no judgements that have significant impact on the amounts recorded in the financial statements.

### 1.4 Changes in Australian Accounting Standards

#### ***Adoption of New Australian Accounting Standard Requirements***

No accounting standard has been adopted earlier than the application date as stated in the standard. No new or amended standards or interpretations were issued prior to the signing of the statement by the chairman and chief executive and were applicable to the current reporting period that had a financial impact on the financial statements.

## ARIA financial statements

### ***Future Australian Accounting Standard Requirements***

No new standards or revised standards were issued by the Australian Accounting Standards Board prior to the signing of the statement by the chairman and chief executive which are expected to have a material financial impact on ARIA's financial statement for future reporting periods.

### **1.5 Revenue**

#### ***Sale of goods and rendering of services***

ARIA receives a share of an administration fee charged by ComSuper to participating employers of Schemes. Any revenue not received by balance date is reflected in the balance sheet as a receivable.

ARIA recovers expenses incurred in respect of the investment and management of the CSS Fund, PSS Fund, and PSSap Fund, from the ARIA Investments Trust.

### **1.6 Gains**

#### ***Other Resources Received Free of Charge***

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

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

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

### **1.7 Transactions with the Government as Owners**

#### ***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.

## ARIA financial statements

### 1.8 Employee Benefits

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

Liabilities for 'short-term employee benefits' (as defined in AASB 119) and termination benefits due within twelve months 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 provisions for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of ARIA is estimated to be less than the annual entitlement for sick leave.

The leave liabilities are calculated on the basis of employees' remuneration, including ARIA employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The liability for long service leave has been calculated by reference to the shorthand measurement technique prescribed by the Finance Minister's Orders i.e. as the present value of the probability-weighted long service leave liability.

#### *Superannuation*

The trustees and employees of ARIA are eligible to participate in CSS, PSS and PSSap on terms identical to all other members. The liability for the unfunded superannuation benefits of the CSS and PSS is recognised in the financial statements of the Australian Government and is settled by the Australian Government as and when the obligations fall due. The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap is a defined contribution scheme.

ARIA makes employer contributions to the relevant Schemes at rates determined by an actuary to be sufficient to meet the cost to the government of the superannuation entitlements of the Agency's employees. ARIA accounts for the contributions as contributions to defined contribution plans.

The liability for superannuation recognised as at 30 June represents outstanding contributions for the final fortnight of the year.

## ARIA financial statements

### 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 rewards 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 inception of the contract and a liability is recognised at the same time and for the same amount.

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

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

### 1.10 Cash and Cash Equivalents

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

### 1.11 Financial Assets

ARIA classifies its financial assets as loans and receivables.

#### *Effective Interest Method*

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

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

## ARIA financial statements

### *Loans and Receivables*

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non current assets. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate.

### *Impairment of Financial Assets*

Financial assets are assessed for impairment at each balance date.

If there is objective evidence that an impairment loss has been incurred for loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount is reduced by way of an allowance account. The loss is recognised in the income statement.

## **1.12 Financial Liabilities**

Financial liabilities are classified as other financial liabilities.

### *Other Financial Liabilities*

Other financial liabilities are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

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

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

## ARIA financial statements

### 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 income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor agency's accounts immediately prior to the restructuring.

### 1.14 Property, Plant and Equipment

#### *Asset Recognition Threshold*

Purchases of property, plant and equipment are recognised initially at cost in the Balance Sheet, except for purchases costing less than \$2 000 which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

#### *Revaluations*

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

<b>Asset Class</b>	<b>Fair value measured at</b>
Leasehold Improvements	Depreciated replacement cost
Infrastructure, Plant and Equipment	Market selling price

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

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.

## ARIA financial statements

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

### *Depreciation and Amortisation*

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

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

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

	<b>2009</b>	<b>2008</b>
Leasehold improvements	Lease term	Lease term
Computer hardware	3 to 5 years	3 to 5 years
Computer Software	4 years	4 years
Office Equipment	5 years	5 years
Furniture and Fittings	7 years	7 to 15 years

### *Impairment*

All assets are 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.

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

## **1.15 Intangibles**

ARIA's intangibles comprise of purchased software for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Software is amortised on a straight-line basis over its anticipated useful life. The useful lives of ARIA's software is four years (2007-08: four years).

## ARIA financial statements

All software assets are assessed for indications of impairment as at 30 June 2009.

### **1.16 Taxation**

The Agency is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST:

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

### **1.17 Insurance**

ARIA has insured for trustee liability and comprehensive crime risks through insurance policies with a group of insurers, (ACE Insurance, London Australia Underwriting, Chubb, Liberty American Home Assurance and QBE Insurance); and business travel and group personal injury risks through insurance policies held with Allianz Australia and Chubb Insurance. Workers compensation risks are insured through ComCare.

### **Note 2 Events After the Balance Sheet Date**

In October 2008 the government announced that it intends to merge the Australian Reward Investment Alliance, the Military Superannuation and Benefits Board and the Defence Force Retirement and Death Benefits Authority into a single trustee board from 1 July 2010.

ARIA was not aware of any other events occurring after balance sheet date.

### **Note 3 Contingent Liabilities**

No contingent liabilities are noted at reporting date.

## ARIA financial statements

	<b>2009</b>	<b>2008</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Note 4 Income</b>		
<b>Revenues</b>		
<b>4.1 Sale of Goods and Rendering of Services</b>		
Provision of services - related entities	5 251	4 118
Provision of services - external parties	11 482	10 310
<b>Total sale of goods and rendering of services</b>	<b><u>16 733</u></b>	<b><u>14 428</u></b>
<b>Gains</b>		
<b>4.2 Other Gains</b>		
Resources received free of charge	24	20
<b>Total other gains</b>	<b><u>24</u></b>	<b><u>20</u></b>

## ARIA financial statements

	2009	2008
	\$'000	\$'000
<b>Note 5 Expenses</b>		
<b>5.1 Employee Benefits</b>		
Wages and salaries	8 026	7 066
Superannuation	1 037	797
Leave and other entitlements	196	144
<b>Total employee benefits</b>	<b>9 259</b>	<b>8 007</b>
<b>5.2 Suppliers</b>		
Provision of goods - related entities	-	-
Provision of goods - external parties	354	405
Rendering of services - related entities	386	683
Rendering of services - external parties	3 905	4 228
Operating lease rentals - external parties:		
Minimum lease payments	1 278	624
Workers compensation premiums	22	31
<b>Total supplier expenses</b>	<b>5 945</b>	<b>5 971</b>
<b>5.3 Depreciation and Amortisation</b>		
<b><i>Depreciation</i></b>		
Leasehold improvements	290	265
Infrastructure, plant and equipment	166	105
<b>Total depreciation</b>	<b>456</b>	<b>370</b>
<b><i>Amortisation</i></b>		
Computer Software	8	-
<b>Total amortisation</b>	<b>8</b>	<b>-</b>
<b>Total depreciation and amortisation</b>	<b>464</b>	<b>370</b>
<b>5.4 Losses from Asset Sales</b>		
Infrastructure, plant and equipment:		
Proceeds from sale	-	10
Carrying value of assets sold	7	-
Selling Expense	-	-
<b>Total losses from asset sales</b>	<b>7</b>	<b>10</b>

## ARIA financial statements

	2009	2008
	\$'000	\$'000
<b>Note 6 Financial Assets</b>		
<b>6.1 Cash and Cash Equivalents</b>		
Special Account	2 593	1 374
<b>Total cash and cash equivalents</b>	<b>2 593</b>	<b>1 374</b>
<b>6.2 Trade and Other Receivables</b>		
Goods and services - external parties	641	2 962
<b>Total receivables for goods and services</b>	<b>641</b>	<b>2 962</b>
GST receivable from the Australian Taxation Office	72	315
Accrued Revenue	401	-
<b>Total other receivables</b>	<b>473</b>	<b>315</b>
<b>Total trade and other receivables</b>	<b>1 114</b>	<b>3 277</b>
Receivables are represented by:		
Current	1 114	3 277
Non-current	-	-
<b>Total trade and other receivables</b>	<b>1 114</b>	<b>3 277</b>
Receivables are aged as follows:		
Not overdue	1 114	3 277
Overdue by:		
Less than 30 days	-	-
30 to 60 days	-	-
61 to 90 days	-	-
More than 90 days	-	-
<b>Total receivables</b>	<b>1 114</b>	<b>3 277</b>

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	2009	2008
	\$'000	\$'000
<b>Note 7 Non-Financial Assets</b>		
<b>7.1 Property, Plant and Equipment</b>		
<b>Land and Buildings</b>		
Leasehold improvements		
Fair value	1 992	2 275
Accumulated depreciation	( 466)	( 265)
<b>Total land and buildings:</b>	<b><u>1 526</u></b>	<b><u>2 010</u></b>
<b>Infrastructure, Plant and Equipment</b>		
Infrastructure, Plant and Equipment:		
Gross carrying value (at fair value)	799	516
Accumulated depreciation	( 237)	( 241)
<b>Total infrastructure, plant and equipment:</b>	<b><u>562</u></b>	<b><u>275</u></b>
<b>Intangibles</b>		
Computer software at cost:		
Acquired - in use	40	-
Accumulated depreciation	( 8)	-
<b>Total intangibles:</b>	<b><u>32</u></b>	<b><u>-</u></b>
<b>Total Property, Plant and Equipment</b>		
Property, Plant and Equipment:		
Carrying value	2 831	2 792
Accumulated depreciation	( 711)	( 507)
<b>Total property, plant and equipment:</b>	<b><u>2 120</u></b>	<b><u>2 285</u></b>
<b>7.2 Other Non-Financial Assets</b>		
Prepaid Expenditure	63	109
<b>Total other non-financial assets</b>	<b><u>63</u></b>	<b><u>109</u></b>

## ARIA financial statements

**Note 7 Non-Financial Assets** (continued)**7.3 Analysis of Property, Plant and Equipment****Table A - Reconciliation of the opening and closing balances of property, plant and equipment (2008-09)**

	Leasehold Improvements	Other IP and E	Software	Total
	\$'000	\$'000	\$'000	\$'000
<b>As at 1 July 2008</b>				
Gross book value	2 275	516	-	2 791
Accumulated depreciation/amortisation and impairment	( 265)	( 241)	-	( 506)
<b>Net book value 1 July 2008</b>	<b>2 010</b>	<b>275</b>	<b>-</b>	<b>2 285</b>
Additions:				
By purchase	191	143	13	347
Reclassification	( 344)	317	27	-
Depreciation/amortisation expense	( 290)	( 166)	( 8)	( 464)
Other movements:				
Adjust 1 July 08 opening balances:				
Gross book value	( 89)	( 171)	-	( 260)
Accumulated depreciation/amortisation	89	171	-	260
Other disposals	( 41)	( 7)	-	( 48)
<b>Net book value 30 June 2009</b>	<b>1 526</b>	<b>562</b>	<b>32</b>	<b>2 120</b>
<b>Net book value as of 30 June 2009 represented by:</b>				
Gross book value	1 992	799	40	2 831
Accumulated depreciation/amortisation and impairment	( 466)	( 237)	( 8)	( 711)
	<b>1 526</b>	<b>562</b>	<b>32</b>	<b>2 120</b>

## ARIA financial statements

### 7.3 Analysis of Property, Plant and Equipment continued

**Table B - Reconciliation of the opening and closing balances of property, plant and equipment (2007-08)**

	Leasehold Improvements \$'000	Other IP and E \$'000	Software \$'000	Total \$'000
<b>As at 1 July 2007</b>				
Gross book value	725	453	-	1 178
Accumulated depreciation/amortisation and impairment	-	( 137)	-	( 137)
<b>Net book value 1 July 2007</b>	<b>725</b>	<b>316</b>	<b>-</b>	<b>1 041</b>
Additions:				
By purchase	1 557	66	-	1 623
Revaluations and impairments through equity	-	1	-	1
Depreciation/amortisation expense	( 265)	( 105)	-	( 370)
Other movements (give details below):				
Other disposals	( 6)	( 4)	-	( 10)
<b>Net book value 30 June 2008</b>	<b>2 011</b>	<b>274</b>	<b>-</b>	<b>2 285</b>
<b>Net book value as of 30 June 2008 represented by:</b>				
Gross book value	2 275	516	-	2 791
Accumulated depreciation/amortisation and impairment	( 265)	( 241)	-	( 506)
	<b>2 010</b>	<b>275</b>	<b>-</b>	<b>2 285</b>

## ARIA financial statements

	2009 \$'000	2008 \$'000
<b>Note 8 Payables</b>		
<b>8.1 Suppliers</b>		
Trade Creditors	163	1 113
<b>Total supplier payables</b>	<b>163</b>	<b>1 113</b>
Supplier payables - related entities are represented by:		
Current	163	1 113
Non-current	-	-
<b>Total supplier payables</b>	<b>163</b>	<b>1 113</b>
Settlement is usually made net 30 days.		
<b>8.2 Other Payables</b>		
GST payable to the Australian Taxation Office	309	443
Accrued Expenses	98	-
Accrued Salaries	126	-
Unearned Revenue	-	2 070
Lease Payable	570	-
<b>Total other payables</b>	<b>1 103</b>	<b>2 513</b>
<b>Note 9 Provisions</b>		
<b>9.1 Employee Provisions</b>		
Leave	959	761
Other	8	84
<b>Total employee provisions</b>	<b>967</b>	<b>845</b>
Employee provisions are represented by:		
Current	629	530
Non-current	338	315
<b>Total employee provisions</b>	<b>967</b>	<b>845</b>

## ARIA financial statements

	Notes	2009 \$'000	2008 \$'000
<b>Note 10 Cash Flow Reconciliation</b>			
<b>Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement</b>			
<b>Report cash and cash equivalents as per:</b>			
Cash flow statement		2 593	1 374
Balance sheet		2 593	1 374
Difference		<u>-</u>	<u>-</u>
<b>Reconciliation of operating result to net cash from operating activities:</b>			
Operating result		1 082	90
Depreciation / amortisation		464	370
Loss/(gain) on disposal of assets		7	( 10)
(Increase)/decrease in net receivables		2 320	(1 268)
Decrease in prepayments		46	49
Decrease in GST receivable		243	-
(Increase)/decrease in accrued revenue		( 401)	-
Increase/(decrease) in employee provisions		122	( 206)
Increase/(decrease) in supplier payables		( 950)	2 438
Increase/(decrease) in accrued expenses		98	-
Increase/(decrease) in accrued salaries		126	-
Increase/(decrease) in GST payable		( 134)	-
Increase/(decrease) in unearned revenue		(2 070)	-
(Increase)/decrease in other payables		570	-
<b>Net cash from operating activities</b>		<u><u>1 523</u></u>	<u><u>1 463</u></u>

## ARIA financial statements

	2009	2008
<b>Note 11 Senior Executive Remuneration</b>		
The number of senior executives who received or were due to receive total remuneration of \$130,000 or more:		
\$130 000 to \$144 999	-	-
\$145 000 to \$159 999	-	1
\$160 000 to \$174 999	2	-
\$175 000 to \$189 999	1	1
\$250 000 to \$264 999	-	1
\$265 000 to \$279 999	1	-
\$355 000 to \$369 999	-	1
\$400 000 to \$414 999	-	1
\$450 000 to \$464 999	1	-
\$550 000 to \$564 999	-	1
\$600 000 to \$614 999	1	-
\$685 000 to \$699 999	1	-
\$805 000 to \$819 999	-	1
<b>Total</b>	<u>7</u>	<u>7</u>
	<b>2009</b>	<b>2008</b>
	<b>\$'000</b>	<b>\$'000</b>
The aggregate amount of total remuneration of senior executives shown above.	<u>2 550</u>	<u>2 136</u>
<b>Note 12 Trustee Remuneration</b>		
	<b>2009</b>	<b>2008</b>
The number of trustees who received remuneration during the financial year fell within the following bands:		
\$0 to \$14 999	1	3
\$15 000 to \$29 999	-	2
\$30 000 to \$44 999	-	2
\$45 000 to \$59 999	4	2
\$60 000 to \$74 999	1	1
\$90 000 to \$104 999	1	1
<b>Total</b>	<u>7</u>	<u>11</u>
	<b>2009</b>	<b>2008</b>
	<b>\$'000</b>	<b>\$'000</b>
The aggregate amount of total remuneration of trustees shown above.	<u>376</u>	<u>425</u>

## ARIA financial statements

	2009 \$'000	2008 \$'000
<b>Note 13 Remuneration of Auditors</b>		
Financial statement audit services were provided free of charge to ARIA.		
The fair value of the services provided was:	<u>24</u>	<u>20</u>
<p>Deloitte Touche Tohmatsu (Deloitte) have been contracted by the ANAO to provide audit services to the agency. Fees for these services are included above. The ANAO also contracted Deloitte to provide audit services to ARIA Board which are not included in the above resources received free of charge. These services relate to the Australian Financial Services Licence to the value of \$5,520.</p>		
The fair value of non-audit services provided by Deloitte:		
Tax services - International	<u>10</u>	<u>-</u>
No other services were provided by the Auditor-General.		

## ARIA financial statements

		2009	2008
		\$'000	\$'000
<b>Note 14 Financial Instruments</b>			
<b>14.1 Categories of Financial Instruments</b>			
<b>Financial Assets</b>			
Loans and receivables:			
Cash and cash equivalents	6.1	2 593	1 374
Trade and other receivables	6.2	1 114	3 277
<b>Carrying amount of financial assets</b>		<b>3 707</b>	<b>4 651</b>
<b>Financial Liabilities</b>			
Other financial liabilities at amortised cost:			
Supplier payables	8.1	163	1 113
Accrued Expenses	8.2	98	-
Accrued Salaries	8.2	126	-
Operating Lease Payable	8.2	570	-
<b>Carrying amount of financial liabilities</b>		<b>957</b>	<b>1 113</b>
<b>14.2 Net Income and Expense from Financial Assets</b>			
There is no interest income from financial assets.			
<b>14.3 Net Income and Expense from Financial Liabilities</b>			
There is no interest expense on financial liabilities.			
<b>14.4 Fair Value of Financial Instruments</b>			
The financial instruments held by ARIA are carried at amounts which approximate fair value.			

## ARIA financial statements

### Note 14 Financial Instruments continued

#### 14.5 Credit Risk

ARIA holds cash balances with the Reserve Bank of Australia, and credit exposures are usually limited to the ARIA Investments Trust and Australian Government agencies. These parties are considered to have nil credit risk to ARIA. ARIA has no outstanding debt obligations beyond 30 days short-term obligations to trade creditors and would receive no nominal gain or loss due to changes in credit rating by the market.

The following table illustrates ARIA's gross exposure to credit risk, excluding any collateral or credit enhancements.

	2009 \$'000	2008 \$'000
<b>Financial Assets</b>		
Loans and receivables:		
Cash and cash equivalents	2 593	1 374
Trade and other receivables	1 114	3 277
<b>Total Financial Assets</b>	<b>3 707</b>	<b>4 651</b>

**Credit quality of financial instruments not past due or individually determined as impaired:**

	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
	Not passed due or impaired	Not passed due or impaired	Passed due or impaired	Passed due or impaired
<b>Financial Assets</b>				
Loans and receivables:				
Cash and cash equivalents	2 593	1 374	-	-
Trade and other receivables	1 114	3 277	-	-
<b>Total Financial Assets</b>	<b>3 707</b>	<b>4 651</b>	-	-

## ARIA financial statements

### Note 14 Financial Instruments continued

#### 14.6 Liquidity Risk

ARIA cash receipts are primarily received from the ARIA Investments Trust and Australian Government agencies. These parties are considered to have nil liquidity risk to ARIA. ARIA expects to meet obligations associated with the financial liabilities as they arise.

	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
Other financial liabilities						
Supplier payables	-	163	-	-	-	163
Accrued expenses	-	98	-	-	-	98
Accrued Salaries	-	126	-	-	-	126
Lease Payable	-	186	85	256	43	570
<b>Total</b>	-	<b>573</b>	<b>85</b>	<b>256</b>	<b>43</b>	<b>956</b>

	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
Other financial liabilities						
Supplier payables	-	1 113	-	-	-	1 113
Accrued expenses	-	-	-	-	-	-
Accrued Salaries	-	-	-	-	-	-
Lease Payable	-	-	-	-	-	-
<b>Total</b>	-	<b>1 113</b>	-	-	-	<b>1 113</b>

## ARIA financial statements

### Note 15 Special Accounts

<b>ARIA Special Account (Departmental)</b>		
Legal Authority:	Financial Management and Accountability Determination; 2007/04	
Appropriation:	<i>Financial Management and Accountability Act 1997 ; section 21</i>	
Purpose:	For ARIA to administer the expenditure related to the administration of the CSS, PSS and PSSap Schemes	
	<b>2009</b>	<b>2008</b>
	<b>\$'000</b>	<b>\$'000</b>
Balance carried from previous period	1 374	1 514
Appropriation for reporting period	-	-
Costs recovered	17 751	14 574
GST credits (FMA Act section 30A)	831	1 591
Realised investments	-	-
Other receipts	-	-
<b>Total credits</b>	<b>19 956</b>	<b>17 679</b>
Payments made:		
Employees	8 888	7 779
Suppliers	6 868	6 924
GST paid	1 303	-
Purchase of property, plant and equipment	304	1 602
Repayments debited from the special account section 39)	-	-
<b>Total debits</b>	<b>17 363</b>	<b>16 305</b>
<b>Balance carried to next period (excluding investment balances) and represented by:</b>	<b>2 593</b>	<b>1 374</b>
Cash - transferred to the Official Public Account	-	-
Cash – held by the agency	2 593	1 374
<b>Total balance carried to the next period</b>	<b>2 593</b>	<b>1 374</b>

## ARIA financial statements

	<b>2009</b>	<b>2008</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Note 16 Assets Held in Trust</b>		
Shown below are the values of gross assets held in trust by ARIA in its capacity as trustee of the CSS, PSS and PSSap superannuation schemes.		
 <b>CSS</b>		
Opening balance	6 099 733	6 817 110
Closing balance	<u>4 753 314</u>	<u>6 099 733</u>
 <b>PSS</b>		
Opening balance	11 423 724	11 293 074
Closing balance	<u>10 038 966</u>	<u>11 423 724</u>
 <b>PSSap</b>		
Opening balance	967 540	520 445
Closing balance	<u>1 317 828</u>	<u>967 540</u>

## ARIA financial statements

### Note 17 Reporting of Outcomes

ARIA receives departmental funding which is to be used solely for the Outcome specified in Note 1.1.

#### 17.1 Net Cost of Outcome Delivery

	Outcome 1	
	2009 \$'000	2008 \$'000
<b>Expenses</b>		
Departmental	15 675	14 358
<b>Total expenses</b>	<b>15 675</b>	<b>14 358</b>
<b>Costs recovered from provision of goods and services to the non government sector</b>		
Departmental	16 757	14 448
<b>Total costs recovered</b>	<b>16 757</b>	<b>14 448</b>
<b>Other external income</b>		
Departmental	-	-
<b>Total other external income</b>	<b>-</b>	<b>-</b>
<b>Net cost/(contribution) of outcome</b>	<b>( 1 082)</b>	<b>( 90)</b>

#### 17.2 Major Classes of Departmental Income and Expenses by Output Groups and Outputs

Outcome 1	2009 \$'000	2008 \$'000
<b>Departmental Expenses</b>		
Employee benefits	9 259	8 007
Suppliers	5 945	5 971
Depreciation and amortisation	464	370
Losses from asset sales	7	10
<b>Total departmental expenses</b>	<b>15 675</b>	<b>14 358</b>
<b>Funded by:</b>		
<b>Departmental Income</b>		
Sale of goods and rendering of services	16 733	14 428
Other Gains	24	20
<b>Total departmental income</b>	<b>16 757</b>	<b>14 448</b>

## ARIA financial statements

**Note 17 Reporting of Outcomes** (continued)**17.3 Major Classes of Departmental Assets and Liabilities by Outcomes**

<b>Outcome 1</b>	<b>2009</b>	<b>2008</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Departmental Assets</b>		
Cash and Cash Equivalents	2 593	1 374
Trade and Other Receivables	1 114	2 962
Other Financial Assets	63	109
Infrastructure, Plant and Equipment	2 088	275
Intangibles	32	-
<b>Total departmental assets</b>	<b>5 890</b>	<b>4 719</b>
<b>Departmental Liabilities</b>		
Suppliers	163	1 113
Other Payables	1 103	2 513
Employee Provisions	967	845
<b>Total departmental liabilities</b>	<b>2 233</b>	<b>4 470</b>