

CENTRAL LAND COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

in future years by employees of the Land Council is estimated to be less than the annual entitlement for sick leave.

The leave liabilities are calculated on the basis of employees' remuneration, including the Central Land Council'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 estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

Superannuation

The majority of employees of Central Land Council are members of Acumen Superannuation Fund. Central Land Council makes employer contributions to the Acumen at the rate of 9% paid on monthly basis. Acumen Superannuation Fund is an accumulation fund.

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

1.4 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. In operating leases, the lessor effectively retains substantially all such risks and benefits.

Operating lease payments are expensed on a 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.

1.5 Grants

Most grant agreements require the grantee to perform services or provide facilities, or to meet eligibility criteria. In these cases, grant liabilities are recognised only to the extent that the services required have been performed or the eligibility criteria have been satisfied by the grantee. Where grant monies have been paid in advance of performance or eligibility, a prepayment is recognised.

In cases where grant agreements are made without conditions to be monitored, liabilities are recognised on signing of the agreement.

1.6 Cash and cash equivalents

Cash means notes and coins held and any deposits held at call with a bank or financial institution. Cash is recognised at its nominal amount. Interest is credited to revenue as it accrues.

1.7 Appropriations Receivable

These receivables are recognised at the nominal amounts due.

1.8 Other Financial Liabilities

Trade creditors and accruals are recognised at their nominal amounts, to the extent at which the liabilities will be settled. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).