

CENTRAL LAND COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

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

	2006	2005
Buildings on freehold land	40 years	40 years
Leasehold improvements	Lease term	Lease term
Motor vehicles and IT equipment	3 to 4 years	3 to 4 years
Office equipment and furniture	7 to 10 years	7 to 10 years

The aggregate amount of depreciation allocated for each class of asset during the reporting period is disclosed in Note 4c.

1.11 Impairment of Financial Assets

Financial assets carried at up-to-date fair value at the reporting date are not subject to impairment testing.

Financial assets carried at cost, which are not held to generate net cash inflows, have been assessed for indications of impairment. Where indications of impairment exist the asset is written down to the higher of its net selling price and if the entity would replace the asset's service potential, its depreciated replacement cost.

1.12 Inventories

Inventories not held for resale are valued at cost, unless they are no longer required, in which case they are valued at net realisable value.

1.13 Taxation

The Central Land Council is exempt from all forms of taxation except fringe benefits tax 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.

1.14 Insurance

The Central Land Council has insured for risks through the Government's insurable risk managed fund, called 'Comcover'. Workers compensation is insured through Comcare Australia.

1.15 Rounding

Amounts have been rounded to the nearest \$1.