Appendix 10: Financial Statements for the Year Ended 30 June 2013

Australian National
Audit Office

INDEPENDENT AUDITOR'S REPORT

To the Parliamentary Secretary for Health and Ageing

I have audited the accompanying financial statements of the Australian Radiation Protection and Nuclear Safety Agency for the year ended 30 June 2013, which comprise: a Statement by the Chief Executive and Chief Financial Officer; Statement of Comprehensive Income; Balance Sheet; Statement of Changes in Equity; Cash Flow Statement; Schedule of Commitments; Schedule of Contingencies and Notes to and Forming Part of the Financial Statements, including a Summary of Significant Accounting Policies and other explanatory information.

Chief Executive's Responsibility for the Financial Statements

The Chief Executive of the Australian Radiation Protection and Nuclear Safety Agency is responsible for the preparation of financial statements that give a true and fair view in accordance with the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, including the Australian Accounting Standards, and for such internal control as is necessary to enable the preparation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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 about 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 Radiation Protection and Nuclear Safety Agency's preparation of the financial statements that give a true and fair view 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 Radiation Protection and Nuclear Safety Agency's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting

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estimates made by the Chief Executive of the Australian Radiation Protection and Nuclear Safety Agency, 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 my audit, I have followed the independence requirements of the Australian National Audit Office, which incorporate the requirements of the Australian accounting profession.

Opinion

In my opinion, the financial statements of the Australian Radiation Protection and Nuclear Safety Agency:

(a) have been prepared in accordance with the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, including the Australian Accounting Standards; and

(b) give a true and fair view of the matters required by the Finance Minister's Orders including the Australian Radiation Protection and Nuclear Safety Agency's financial position as at 30 June 2013 and of its financial performance and cash flows for the year then ended.

Australian National Audit Office

S. Buchanan

Serena Buchanan
Audit Principal

Delegate of the Auditor-General

Canberra
17 September 2013

Australian Radiation Protection and Nuclear Safety Agency (ARPANSA)

Financial Statements - 30 June 2013

STATEMENT BY THE CHIEF EXECUTIVE AND CHIEF FINANCIAL OFFICER

In our opinion, the attached financial statements for the year ended 30 June 2013 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*, as amended.

Signed..............................	Signed..............................
Carl-Magnus Larsson	George Savvides
Chief Executive	Chief Financial Officer
11 September 2013	11 September 2013

ARPANSA
STATEMENT OF COMPREHENSIVE INCOME
for the period ended 30 June 2013

		2013	2012
EXPENSES	**Notes**	**$**	$
Employee benefits	3A	**17,314,382**	17,917,929
Supplier	3B	**7,726,220**	8,502,966
Depreciation and amortisation	3C	**2,330,302**	2,542,795
Write-down and impairment of assets	3D	**30,279**	172,509
Foreign exchange losses	3E	**-**	535
Total expenses		**27,401,183**	29,136,734
LESS:			
OWN-SOURCE INCOME			
Own-source revenue			
Sale of goods and rendering of services	4A	**7,131,176**	6,715,124
Licence fees	4B	**4,428,701**	3,839,420
Total own-source revenue		**11,559,877**	10,554,544
Gains			
Foreign exchange	4C	**127**	-
Other gains	4D	**55,000**	54,250
Total gains		**55,127**	54,250
Total own-source income		**11,615,004**	10,608,794
Net cost of (contribution by) services		**15,786,179**	18,527,940
Revenue from Government	4E	**13,498,000**	16,130,000
Deficit		**(2,288,179)**	(2,397,940)
OTHER COMPREHENSIVE INCOME			
Changes in asset revaluation surplus		**509,292**	3,431,286
Total other comprehensive income		**509,292**	3,431,286
Total comprehensive income (loss)		**(1,778,887)**	1,033,346

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

ARPANSA
BALANCE SHEET
as at 30 June 2013

	Notes	2013 $	2012 $
ASSETS			
Financial Assets			
Cash and cash equivalents	5A	**999,734**	1,655,881
Trade and other receivables	5B	**1,995,377**	1,610,080
Other financial assets	5C	**113,746**	81,703
Total financial assets		**3,108,857**	3,347,664
Non-Financial Assets			
Land and buildings	6A	**18,982,031**	19,229,600
Property, plant and equipment	6B,6F	**6,121,867**	6,702,310
Intangibles	6C,6G	**622,129**	798,005
Inventories	6D	**1,437,945**	1,489,587
Other non-financial assets	6E	**350,383**	459,488
Total non-financial assets		**27,514,355**	28,678,990
Total assets		**30,623,212**	32,026,654
LIABILITIES			
Payables			
Suppliers	7A	**668,277**	1,378,077
Other payables	7B	**1,289,454**	1,821,394
Total payables		**1,957,731**	3,199,471
Provisions			
Employee provisions	8	**4,909,386**	5,228,201
Total provisions		**4,909,386**	5,228,201
Total liabilities		**6,867,117**	8,427,672
Net assets		**23,756,095**	23,598,982
EQUITY			
Contributed equity		**11,056,000**	9,120,000
Reserves		**9,639,071**	9,129,779
Retained surplus		**3,061,024**	5,349,203
Total equity		**23,756,095**	23,598,982

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

ARPANSA
STATEMENT OF CHANGES IN EQUITY
for the period ended 30 June 2013

	Retained Earnings		Asset Revaluation Surplus		Contributed Equity/Capital		Total Equity	
	2013	2012	**2013**	2012	**2013**	2012	**2013**	2012
	$	$	**$**	$	**$**	$	**$**	$
Opening balance								
Balance carried forward from previous period	**5,349,203**	7,747,143	**9,129,779**	5,698,493	**9,120,000**	6,767,000	**23,598,982**	20,212,636
Adjusted opening balance	**5,349,203**	7,747,143	**9,129,779**	5,698,493	**9,120,000**	6,767,000	**23,598,982**	20,212,636
Comprehensive income								
Other comprehensive income - Changes in asset revaluation reserves	**-**	-	**509,292**	3,431,286	**-**	-	**509,292**	3,431,286
Deficit for the period	**(2,288,179)**	(2,397,940)					**(2,288,179)**	(2,397,940)
Total comprehensive income	**(2,288,179)**	(2,397,940)	**509,292**	3,431,286	**-**	-	**(1,778,887)**	1,033,346
Contributions by Owners								
Departmental capital budget	**-**	-	**-**	-	**1,936,000**	2,353,000	**1,936,000**	2,353,000
Sub-total transactions with owners	**-**	-	**-**	-	**1,936,000**	2,353,000	**1,936,000**	2,353,000
Closing balance as at 30 June	**3,061,024**	5,349,203	**9,639,071**	9,129,779	**11,056,000**	9,120,000	**23,756,095**	23,598,982

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

ARPANSA
CASH FLOW STATEMENT
for the period ended 30 June 2013

	Notes	2013 $	2012 $
OPERATING ACTIVITIES			
Cash received			
Appropriations		14,078,000	18,085,130
Sales of goods and rendering of services		11,695,459	12,148,793
Net GST received		249,167	763,107
Total cash received		26,022,626	30,997,030
Cash used			
Employees		(17,750,046)	(17,443,603)
Suppliers		(8,929,847)	(10,512,005)
Total cash used		(26,679,893)	(27,955,608)
Net cash from (used by) operating activities	9	(657,267)	3,041,422
INVESTING ACTIVITIES			
Cash used			
Purchase of property, plant, equipment and intangibles		(848,880)	(5,340,093)
Total cash used		(848,880)	(5,340,093)
Net cash (used by) investing activities		(848,880)	(5,340,093)
FINANCING ACTIVITIES			
Cash received			
Contributed equity		850,000	2,353,000
Total cash received		850,000	2,353,000
Net cash from financing activities		850,000	2,353,000
Net (decrease) increase in cash held		(656,147)	54,329
Cash and cash equivalents at the beginning of the reporting period		1,655,881	1,601,552
Cash and cash equivalents at the end of the reporting period	5A	999,734	1,655,881

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

ARPANSA
SCHEDULE OF COMMITMENTS
as at 30 June 2013

	2013	2012
BY TYPE	**$**	$
Commitments receivable		
Net GST recoverable on commitments	**(107,696)**	(181,696)
Total commitments receivable	**(107,696)**	(181,696)
Capital commitments		
Infrastructure, plant and equipment	**387,596**	501,871
Total capital commitments	**387,596**	501,871
Other commitments		
Operating leases	**261,109**	661,752
Other commitments	**535,952**	835,036
Total other commitments	**797,061**	1,496,788
Net commitments by type	**1,076,961**	1,816,963
BY MATURITY		
Other commitments receivable		
One year or less	**(107,696)**	(152,741)
From one to five years	**-**	(28,955)
Total other commitments receivable	**(107,696)**	(181,696)
Commitments payable		
Capital commitments		
One year or less	**387,596**	501,871
From one to five years	**-**	-
Total capital commitments	**387,596**	501,871
Operating lease commitments		
One year or less	**261,109**	395,002
From one to five years	**-**	266,750
Total operating lease commitments	**261,109**	661,752
Other commitments		
One year or less	**535,952**	783,283
From one to five years		51,753
Total other commitments	**535,952**	835,036
Net commitments by maturity	**1,076,961**	1,816,963

NB: Commitments are GST inclusive where relevant.

Infrastructure plant and equipment - contractual payments for computer and scientific equipment

Operating leases are effectively non-cancellable and comprise:

Leases for office accommodation.

Lease payments are subject to annual increase as per the lease. The lease term is 4 years.

Agreements for the provision of motor vehicles to senior executive officers.

No contingent rentals exist. There are no renewal or purchase options available to the Agency.

Other commitments - contracts for the procurement of goods and services

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

ARPANSA

SCHEDULE OF CONTINGENCIES

as at 30 June 2013

	2013	2012
	$	$
Total contingent assets	-	-
Total contingent liabilities	-	-
Net contingent assets (liabilities)	-	-

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

Note 1: Summary of Significant Accounting Policies

1.1 Objectives of the Australian Radiation Protection and Nuclear Safety Agency (ARPANSA)

ARPANSA is an Australian Government controlled entity. It is a not-for-profit entity. The objectives of ARPANSA are described in the body of this Annual Report.

The Agency is structured to meet one Outcome:

"Protection of people and the environment through radiation protection and nuclear safety research, policy, advice, codes, standards, sevices and regulation."

ARPANSA's activities contributing toward the outcome are classified as departmental. Departmental activities involve the use of assets, liabilities, income and expenses controlled or incurred by the Agency in its own right.

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

1.2 Basis of Preparation of the Financial Report

The financial statements are general purpose financial statements and are required by section 49 of the *Financial Management and Accountability Act 1997.*

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

a) Finance Minister's Orders (or FMOs) for reporting periods ending on or after 1 July 2011; and
b) Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

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

Unless an alternative treatment is specifically required by an accounting standard or the FMOs, assets and liabilities are recognised in the balance sheet when and only when it is probable that future economic benefits will flow to the Agency or 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 executor contract are not recognised unless required by an accounting standard. Liabilities and assets that are unrecognised are reported in the schedule of commitments or the schedule of contingencies.

Unless alternative treatment is specifically required by an accounting standard, income and expenses are recognised in the statement of comprehensive income 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, ARPANSA has made the following judgements that have the most significant impact on the amounts recorded in the financial statements:

- The fair value of land has been taken to be the market value of similar land as determined by an independent valuer. However, ARPANSA's buildings are purpose built and may in fact realise more or less in the market and hence are valued at depreciated replacement cost.

- The long service leave liability is calculated using the shorthand method developed by the Australian Government Actuary. This method is impacted by fluctuations in the Commonwealth Government 10 year Treasury Bond rate.

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 accounting period.

1.4 New Australian Accounting Standards

Adoption of new Australian Accounting Standard requirements

No accounting standard has been adopted earlier than the application date stated in the standard. New standards, revised or amending standards and interpretations that were issued prior to the sign-off date and are applicable to the current reporting period did not have a financial impact, and are not expected to have a future financial impact on the Agency.

Future Australian Accounting Standard requirements

New standards, revised or amending standards and interpretations that were issued prior to the signing of the statement by the Chief Executive and Chief Financial Officer and are applicable to the future reporting period are not expected to have a future financial impact on the Agency.

1.5 Revenue

Revenue from Government

Amounts appropriated for departmental appropriations for the year (adjusted for any formal additions and reductions) are recognised as Revenue from Government when the Agency 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.

Section 56 (3) of the *Australian Radiation Protection and Nuclear Safety Act 1998* (the Act), requires that money appropriated by the Parliament be transferred to the special account (notes 5A and 16 refer).

Appropriations receivable are recognised at their nominal amounts.

Licence Fees

Under paragraph 34(b) of the Act, an application for a licence must be accompanied by a fee prescribed in the regulations. Revenue for licence applications is recognised when an application for a licence is received.

Revenue for annual licence fees is recognised when a licence is issued to the licensee.

Other Types of Revenue

Revenue from the sale of goods is recognised when:

a) The risks and rewards of ownership have been transferred to the buyer;

b) The Agency retains no managerial involvement nor effective control over the goods;

c) The revenue and transaction costs incurred can be reliably measured; and

d) It is probable that the economic benefits associated with the transaction will flow to the Agency.

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:

a) The amount of revenue, stage of completion and transaction costs incurred can be reliably measured; and

b) The probable economic benefits associated with the transaction will flow to the Agency.

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 estimated total costs of the transaction.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of reporting period. Allowances are made when collectability of the debt is no longer probable.

Parental Leave Payments Scheme

The Agency has received an amount of $10,917 (2012: $42,545) under the Parental Leave Payments Scheme.

1.6 Gains

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.

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

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 entity as a consequence of a restructuring of administrative arrangements. (Refer Note 1.7)

Sale of Assets

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

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) and Departmental Capital Budgets (DCBs) are recognised directly in contributed equity in that year.

Restructuring of Administrative Arrangements

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

1.8 Employee Benefits

Liabilities for ‘short-term employee benefits’ (as defined in AASB 119 *Employee Benefits*) and termination benefits due within twelve months of the end of the reporting period 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.

Other long-term employee benefit liabilities are measured as net total of the present value of the defined benefit obligation at the end of the reporting period minus the fair value at the end of the reporting period of plan assets (if any) out of which the obligations are to be settled directly.

Leave

The liability for employee benefits includes provision 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 the Agency is estimated to be less than the annual entitlement for sick leave.

The leave liabilities are calculated on the basis of employees' remuneration at the estimates salary rates that will be applied at the time the leave will be taken, including the Agency'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 recognised and measured at the present value of the estimated future cash flows to be made in respect of employees as at 30 June 2013. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

Separation and Redundancy

Provision is made for separation and redundancy benefit payments. The entity recognises a provision for termination when is has developed a detailed plan for terminations and has informed those employees affected that it will carry out the terminations.

Superannuation

The majority of staff of ARPANSA are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS) or the PSS accumulation plan (PSSap), and the Australian Government Employee Superannuation Trust (AGEST). There are a small number of staff covered under various other superannuation schemes.

The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap is a defined contribution scheme. The AGEST Superannuation Trust is an industry fund which was previously the Australian Government Default Superannuation fund for non-ongoing employees.

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's administered schedules and notes.

ARPANSA makes employer contributions to the employees' superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the Government. ARPANSA accounts for the contributions as if they were contributions to defined contribution plans.

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

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 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 an 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 Borrowing Costs

All borrowing costs are expensed as incurred.

1.11 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents includes:

a) cash on hand;
b) cash held by outsiders; and
c) cash in special accounts.

1.12 Financial Assets

The Agency classifies its financial assets in the following categories:

a) financial assets at fair value through profit or loss;
b) held-to-maturity investments;
c) available-for-sale financial assets; and
d) loans and receivables.

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. Financial assets are recognised and derecognised upon trade date. ARPANSA only holds "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.

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'. 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 the end of each reporting period.

Financial assets held at amortised cost - if there is objective evidence that an impairment loss has been incurred for loans and receivables or held to maturity investments held at amortised cost, 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 Statement of Comprehensive Income.

Available for sale financial assets - if there is objective evidence that an impairment loss on an available-for-sale financial asset has been incurred, the amount of the difference between its cost, less principal repayments and amortisation, and its current fair value, less any impairment loss previously recognised in expenses, is transferred from equity to the Statement of Comprehensive Income.

Financial assets held at cost - If there is objective evidence that an impairment loss has been incurred, the amount of the impairment loss is the difference between the carrying amount of the asset and the present value of the estimated future cash flows discounted at the current market rate for similar assets.

1.13 Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other liabilities. Financial liabilities are recognised and derecognised upon trade date. The Agency only holds other liabilities.

Other Liabilities

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).

1.14 Contingent Liabilities and Contingent Assets

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

1.15 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's accounts immediately prior to the restructuring.

1.16 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:

Asset class	Fair value measures at:
Land	Market Value
Buildings exc.leasehold improvement	Depreciated replacement cost
Leasehold improvements	Depreciated replacement cost
Plant & equipment	Market Value

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 in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the surplus/deficit 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.

Depreciation

Depreciable property plant and equipment assets, are written-off to their estimated residual values over their estimated useful lives to ARPANSA, using the straight-line method of depreciation. Leasehold improvements are depreciated using the straight line method over the lesser of the estimated useful life of the improvements or the unexpired period of the lease.

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:

	2013	2012
Buildings on freehold land	**19 years**	6 years to 32 years
Leasehold improvements	**Lease term**	Lease term
Plant and equipment	**1 year to 27 years**	3 years to 27 years

Impairment

All assets were assessed for impairment at 30 June 2013. 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 ARPANSA were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

1.17 Intangibles

ARPANSA's intangibles comprise internally developed software for internal use and trade marks. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Intangibles are amortised on a straight-line basis over their anticipated useful life. The useful lives of ARPANSA's intangibles are 5 to 15.5 years (2011-12: 5 to 14 years).

All intangibles assets were assessed for indications of impairment as at 30 June 2013.

1.18 Inventories

Inventories held for sale are valued at the lower of cost and net realisable value.
Inventories held for distribution are valued at cost, adjusted for any loss of service potential.

Costs incurred in bringing each item of inventory to its present location and condition are assigned as follows:

a) raw materials and stores – purchase cost on a first-in-first-out basis; and

b) finished goods and work in progress – cost of direct materials and labour plus attributable costs that can be allocated on a reasonable basis.

Inventories acquired at no cost or nominal consideration are measured at current replacement cost at the date of acquisition.

1.19 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:

a) where the amount of GST incurred is not recoverable from the Australian Taxation Office; and

b) for receivables and payables.

1.20 Case Law

The Australian Government continues to have regard to developments in case law, including the High Court's most recent decision on Commonwealth expenditure in *Williams v Commonwealth* (2012) 288 ALR 410, as they contribute to the larger body of law relevant to the development of Commonwealth programs. In accordance with its general practice, the Government will continue to monitor and assess risk and decide on any appropriate actions to respond to risks of expenditure not being consistent with constitutional or other legal requirements.

Note 2: Events after the Reporting Period

On 5 August 2013, the Finance Minister determined a reduction in departmental appropriations following a request by the Minister for Health and Ageing. The amount of the reduction determined under Appropriation Act No.1 2012-2013 was: $88,000.

Note 3: Expenses

	2013	2012
	$	$
Note 3A: Employee benefits		
Wages and salaries	**12,431,538**	12,212,147
Superannuation - defined contribution	**2,075,126**	1,964,210
Superannuation - defined benefit	**381,282**	374,919
Leave and other entitlements	**2,216,693**	2,942,803
Separation and redundancies	**209,743**	423,850
Total employee benefits	**17,314,382**	17,917,929
Note 3B: Suppliers		
Goods and services		
Audit fees	**147,598**	150,447
Committees	**116,811**	125,751
Communications	**592,880**	719,994
Construction and maintenance - CTBT	**523,855**	386,029
Contractors/Consultants	**787,277**	736,798
Information technology	**643,220**	763,248
Insurance	**522,917**	485,793
Laboratory	**267,974**	239,177
Postage and freight	**187,020**	169,173
Reference material & subscriptions	**235,363**	267,836
Repair and maintenance	**388,886**	399,439
Training and conferences	**353,976**	312,830
Travel	**1,126,680**	1,488,740
Utilities	**560,310**	470,004
Other goods and services	**834,135**	1,323,185
Total goods and services	**7,288,902**	8,038,444
Provision of goods – external parties	**1,534,544**	1,764,919
Rendering of services – related entities	**1,341,367**	1,635,034
Rendering of services – external parties	**4,413,021**	4,638,491
Total goods and services	**7,288,932**	8,038,444
Other supplier expenses		
Operating lease rentals - external entity		
Minimum lease payments	**384,159**	409,707
Workers compensation premiums	**53,129**	54,815
Total other supplier expenses	**437,288**	464,522
Total supplier expenses	**7,726,220**	8,502,966
Note 3C: Depreciation and amortisation		
Depreciation:		
Infrastructure, plant and equipment	**1,269,818**	1,332,400
Buildings	**824,133**	861,024
Total depreciation	**2,093,951**	2,193,424
Amortisation:		
Intangibles:		
Computer software	**236,021**	349,041
Other	**330**	330
Total amortisation	**236,351**	349,371
Total depreciation and amortisation	**2,330,302**	2,542,795
Note 3D: Write-down and impairment of assets		
Impairment on financial assets	**30**	246
Property, plant and equipment - write-off	**11,197**	44,483
Computer software - write-off	**17,630**	-
Inventories - write-off	**1,422**	87,970
Revaluation decrement -Infrastructure, plant and equipment	**-**	39,810
Total write-down and impairment of assets	**30,279**	172,509
Note 3E: Foreign exchange losses		
Non-speculative	**-**	535
Total foreign exchange losses	**-**	535

Note 4: Income

Own-source revenue	**2013** **$**	2012 $
Note 4A: Sale of goods and rendering of services		
Scientific services - PRMS	**2,505,819**	2,529,588
Construction and maintenance contracts - CTBT	**2,017,644**	1,449,170
Other scientific services	**2,607,713**	2,736,366
Total sale of goods and rendering of services	**7,131,176**	6,715,124
Provision of goods - related entities	**1,754**	5,552
Provision of goods - external parties	**312,586**	353,731
Rendering of services - related entities	**1,062,217**	1,133,323
Rendering of services - external parties	**5,754,619**	5,222,518
Total sale of goods and rendering of services	**7,131,176**	6,715,124
Note 4B: Licence fees		
Application fees	**528,797**	32,198
Annual charges	**3,899,904**	3,807,222
Total licence fees	**4,428,701**	3,839,420
Gains		
Note 4C: Foreign exchange gains		
Non-speculative	**127**	-
Total foreign exchange gains	**127**	-
Note 4D: Other gains		
Resources received free of charge - ANAO audit fees	**55,000**	54,250
Total other gains	**55,000**	54,250
Revenue from Government		
Note 4E: Revenue from Government		
Appropriation:		
Departmental appropriation	**13,498,000**	16,130,000
Total revenue from Government	**13,498,000**	16,130,000

The Agency has received $10,917 (2012: $42,454) under the Parental Leave Payments Scheme.

Note 5: Financial Assets

	2013	2012
	$	$
Note 5A: Cash and cash equivalents		
Special accounts	**962,856**	1,627,194
Cash on hand or on deposit	**36,878**	28,687
Total cash and cash equivalents	**999,734**	1,655,881
Note 5B: Trade and other receivables		
Goods and services	**924,516**	956,995
Appropriations receivable:		
for existing program	**1,086,000**	580,000
GST receivable from the Australian Taxation Office	**4,560**	78,857
Other receivables	**-**	15,717
Total trade and other receivables (gross)	**2,015,076**	1,631,569
Less impairment allowance account		
Goods and services	**(19,699)**	(21,489)
Total trade and other receivables (net)	**1,995,377**	1,610,080
Receivables are expected to be recovered in:		
No more than 12 months	**1,995,377**	1,610,080
More than 12 months	**-**	-
Total trade and other receivables (net)	**1,995,377**	1,610,080
Receivables are aged as follows:		
Not overdue	**1,890,586**	1,525,012
Overdue by:		
0 to 30 days	**97,299**	93,722
31 to 60 days	**26,937**	12,647
61 to 90 days	**254**	188
More than 90 days	**-**	-
Total receivables (gross)	**2,015,076**	1,631,569
The impairment allowance account is aged as follows:		
Overdue by:		
0 to 30 days	-	8,654
31 to 60 days	**19,445**	12,647
61 to 90 days	**254**	188
More than 90 days		-
Total impairment allowance account	**19,699**	21,489
Reconciliation of the impairment allowance account		
Goods and services		
Opening Balance	**21,489**	40,800
Amounts recovered and reversed	**915**	1,413
Amounts written off	**(2,735)**	(20,970)
Increase/decrease recognised in net surplus	**30**	246
Closing Balance	**19,699**	21,489
Note 5C: Other financial assets		
Accrued revenue	**113,746**	81,703
Total other financial assets	**113,746**	81,703

Total other financial assets are expected to be recovered in no more than 12 months.

Note 6: Non-Financial Assets

Note 6A: Land and buildings

	2013 $	2012 $
Land at fair value	**4,800,000**	4,500,000
Buildings on freehold land:		
– work in progress	**-**	-
– fair value	**14,118,000**	14,570,000
– accumulated depreciation	**-**	-
Total buildings on freehold land	**14,118,000**	14,570,000
Leasehold improvements		
– fair value	**159,600**	159,600
– accumulated depreciation	**(95,569)**	-
Total leasehold improvements	**64,031**	159,600
Total land and buildings	**18,982,031**	19,229,600

Revaluation of land and buildings

All revaluations are conducted in accordance with the revaluation policy stated at Note 1. On 30 June 2013 independent valuers from the Australian Valuation Office conducted a valuation of Land and Buildings. The previous revaluation was conducted on 30 June 2012.

Revaluation increments of $300,000 for land (2012: $171,000) and $209,292 for buildings on freehold land (2012: $3,416,567).

No indicators of impairment were found for land and buildings.

No land and buildings are expected to be sold or disposed of within the next 12 months.

Note 6: Non-Financial Assets (continued)

	2013	2012
	$	$
Note 6B: Property, plant and equipment		
Property, plant and equipment:		
– work in progress	**359,274**	47,182
– fair value	**7,026,457**	6,655,128
– accumulated depreciation	**(1,263,864)**	-
Total property, plant and equipment	**6,121,867**	6,702,310

Revaluation of property, plant and equipment

All revaluations are conducted in accordance with the revaluation policy stated at Note 1. Property, plant and equipment was subject to a revaluation at 30 June 2012.

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

No property, plant and equipment are expected to be sold or disposed of within the next 12 months.

Note 6C: Intangibles

	2013	2012
Computer software:		
Externally acquired	**1,477,659**	1,359,725
Accumulated amortisation	**(1,181,375)**	(1,060,741)
Internally developed – in progress	**-**	66,007
Internally developed – in use	**1,121,464**	1,121,463
Accumulated amortisation	**(796,118)**	(689,278)
Total computer software	**621,630**	797,176
Trademarks:		
Trademarks	**4,620**	4,620
Accumulated amortisation	**(4,121)**	(3,791)
Total trademarks	**499**	829
Total intangibles	**622,129**	798,005

No indicators of impairment were found for intangible assets.
No intangibles are expected to be sold or disposed of within the next 12 months.

Note 6: Non-Financial Assets (continued)

	2013	2012
	$	$
Note 6D: Inventories		
Inventories held for sale		
Finished goods	**62,419**	56,993
Inventories held for distribution	**1,375,526**	1,432,594
Total inventories	**1,437,945**	1,489,587

During 2012-13, $106,591 of inventory held for sale was recognised as an expense (2011-12: $169,417).
During 2012-13, $57,068, of inventory held for distribution was recognised as an expense (2011-12: $52,325).

No items of inventory were recognised at fair value less cost to sell.

All inventory is expected to be sold or distributed in the next 12 months.

	2013	2012
Note 6E: Other non-financial assets		
Prepayments	**350,383**	459,488
Total other non-financial assets	**350,383**	459,488

Total other non-financial assets are expected to be recovered within 12 months.

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

Note 6: Non-Financial Assets (continued)

Note 6F: Analysis of property, plant and equipment

TABLE A – Reconciliation of the opening and closing balances of property, plant and equipment (2012-13)

	Land $	Buildings $	Leasehold Improvements $	PP & E $	Total $
As at 1 July 2012					
Gross book value	**4,500,000**	**14,570,000**	**159,600**	**6,702,310**	**25,931,910**
Accumulated depreciation and impairment	-	-	-	-	-
Net book value 1 July 2012	**4,500,000**	**14,570,000**	**159,600**	**6,702,310**	**25,931,910**
Additions:					
By purchase	**-**	**67,272**		**700,572**	**767,844**
Revaluations and impairments recognised in other comprehensive income	**300,000**	**209,292**	**-**		**509,292**
Depreciation expense	**-**	**(728,564)**	**(95,569)**	**(1,269,818)**	**(2,093,951)**
Disposals:					
Other disposals	**-**	**-**	**-**	**(11,197)**	**(11,197)**
Net book value 30 June 2013	**4,800,000**	**14,118,000**	**64,031**	**6,121,867**	**25,103,898**
Net book value as of 30 June 2013 represented by:					
Gross book value	**4,800,000**	**14,118,000**	**159,600**	**7,385,731**	**26,463,331**
Accumulated depreciation and impairment	**-**	**-**	**(95,569)**	**(1,263,864)**	**(1,359,433)**
Net book value 30 June 2013	**4,800,000**	**14,118,000**	**64,031**	**6,121,867**	**25,103,898**

TABLE B – Reconciliation of the opening and closing balances of property, plant and equipment (2011-12)

	Land $	Buildings $	Leasehold Improvements $	PP & E $	Total $
As at 1 July 2011					
Gross book value	4,329,000	9,910,763	331,471	11,339,268	25,910,502
Accumulated depreciation and impairment	-	(1,507,935)	(331,471)	(4,334,972)	(6,174,378)
Net book value 1 July 2011	4,329,000	8,402,828	-	7,004,296	19,736,124
Additions:					
By purchase	-	3,615,000		1,427,217	5,042,217
Revaluations and impairments recognised in other comprehensive income	171,000	3,416,567	159,600	(355,691)	3,391,476
Depreciation expense	-	(861,024)		(1,332,400)	(2,193,424)
Disposals:					
Other disposals	-	(3,371)	-	(41,112)	(44,483)
Net book value 30 June 2012	4,500,000	14,570,000	159,600	6,702,310	25,931,910
Net book value as of 30 June 2012 represented by:					
Gross book value	4,500,000	14,570,000	159,600	6,702,310	25,931,910
Accumulated depreciation and impairment	-	-	-	-	-
Net book value 30 June 2012	4,500,000	14,570,000	159,600	6,702,310	25,931,910

Note 6: Non-Financial Assets (continued)

Note 6G: Intangibles

TABLE A: Reconciliation of the opening and closing balances of intangibles (2012-13)

	Computer software internally developed $	Computer software purchased $	Other intangibles - Trademarks $	Total $
As at 1 July 2012				
Gross book value	**1,121,464**	**1,425,730**	**4,620**	**2,551,814**
Accumulated amortisation and impairment	**(689,278)**	**(1,060,740)**	**(3,791)**	**(1,753,809)**
Net book value 1 July 2012	**432,186**	**364,990**	**829**	**798,005**
Additions:				
By purchase		**78,105**	**-**	**78,105**
Amortisation	**(106,840)**	**(129,181)**	**(330)**	**(236,351)**
Disposals:				
Other disposals	**-**	**(17,630)**	**-**	**(17,630)**
Net book value 30 June 2013	**325,346**	**296,284**	**499**	**622,129**
Net book value as of 30 June 2013 represented by:				
Gross book value	**1,121,464**	**1,477,659**	**4,620**	**2,603,743**
Accumulated amortisation and impairment	**(796,118)**	**(1,181,375)**	**(4,121)**	**(1,981,614)**
Net book value 30 June 2013	**325,346**	**296,284**	**499**	**622,129**

TABLE B: Reconciliation of the opening and closing balances of intangibles (2011-12)

	Computer software internally developed $	Computer software purchased $	Other intangibles - Trademarks $	Total $
As at 1 July 2011				
Gross book value	1,013,891	1,224,837	4,620	2,243,348
Accumulated amortisation and impairment	(486,393)	(914,584)	(3,461)	(1,404,438)
Net book value 1 July 2011	527,498	310,253	1,159	838,910
Additions:				
By purchase	107,573	200,893	-	308,466
Amortisation	(202,885)	(146,156)	(330)	(349,371)
Disposals:				
Other disposals	-		-	-
Net book value 30 June 2012	432,186	364,990	829	798,005
Net book value as of 30 June 2012 represented by:				
Gross book value	1,121,464	1,425,730	4,620	2,551,814
Accumulated amortisation and impairment	(689,278)	(1,060,740)	(3,791)	(1,753,809)
Net book value 30 June 2012	432,186	364,990	829	798,005

Note 7: Payables

	2013	2012
	$	$
Note 7A: Suppliers		
Trade creditors and accruals	**664,110**	1,370,994
Operating lease rentals	**4,167**	7,083
Total supplier payables	**668,277**	1,378,077
Supplier payables expected to be settled within 12 months:		
Related parties	**81,619**	98,333
External parties	**586,658**	1,279,744
Total supplier payables	**668,277**	1,378,077

Settlement is usually made within 30 days.

	2013	2012
Note 7B: Other payables		
Salaries and wages	**416,936**	353,656
Superannuation	**65,578**	61,014
Separation and redundancies	**96,596**	281,290
Unearned income	**676,466**	1,098,404
GST payable to the Australian Taxation Office	**-**	-
Other	**33,878**	27,030
Total other payables	**1,289,454**	1,821,394
Other payables are expected to be settled in:		
No more than 12 months	**1,289,454**	1,821,394
More than 12 months	**-**	-
Total other payables	**1,289,454**	1,821,394

Note 8: Provisions

Employee provisions		
Leave	4,909,386	5,228,201
Total employee provisions	4,909,386	5,228,201
Employee provisions are expected to be settled in:		
No more than 12 months	1,122,600	1,021,371
More than 12 months	3,786,786	4,206,830
Total employee provisions	4,909,386	5,228,201

Note 9: Cash Flow Reconciliation

	2013	2012
	$	$
Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement		
Cash and cash equivalents as per:		
Cash Flow Statement	**999,734**	1,655,881
Balance Sheet	**999,734**	1,655,881
Difference	**-**	-
Reconciliation of net cost of services to net cash from operating		
Net cost of services	**(2,288,179)**	(2,397,940)
Adjustments for non-cash items		
Depreciation /amortisation	**2,330,302**	2,542,795
Revaluation decrement	**-**	39,810
Net write down of non-financial assets	**30,249**	132,453
Changes in assets / liabilities		
(Increase) / decrease in net receivables	**700,704**	3,241,785
(Increase) / decrease in inventories	**50,220**	140,779
(Increase) / decrease in prepayments	**112,035**	27,122
(Increase) / decrease in accrued revenue	**(32,043)**	313,620
Increase / (decrease) in employee provisions	**(318,815)**	489,921
Increase / (decrease) in supplier payables	**(709,801)**	(461,438)
Increase / (decrease) in other payables	**(531,939)**	(1,027,485)
Net cash from (used by) operating activities	**(657,267)**	3,041,422

Note 10: Contingent Liabilities and Assets

As at 30 June 2013, and 30 June 2012 ARPANSA had no quantifiable, unquantifiable or significant remote contingencies.

Note 11: Executive Remuneration

Note 11A: Senior Executive Remuneration Expense for the reporting period

	2013	2012
	$	$
Short-term employee benefits:		
Salary	**804,145**	785,790
Annual leave accrued	**7,325**	28,040
Performance bonuses	**1,000**	-
Motor vehicle and other allowances	**109,105**	101,512
Total Short-term employee benefits	**921,575**	915,342
Post-employment benefits		
Superannuation	**125,634**	146,132
Total post-employment benefits	**125,634**	146,132
Other long-term employee benefits		
Long-service leave	**14,632**	56,162
Total other long-term employee benefits	**14,632**	56,162
Total senior executive remuneration expenses	**1,061,841**	1,117,636

Notes:

1. Note 11A was prepared on an accrual basis

2. Note 11A excludes acting arrangements and part-year service where remuneration expensed for a senior executive was less than $180,000

Note 11: Executive Remuneration (continued)

Note 11B: Average Annual Reportable Remuneration Paid to Substantive Senior Executives During the Reporting Period

Average annual reportable remuneration paid to substantive senior executives in 2013

Average annual reportable remuneration[1]	**Senior Executives No.**	**Reportable salary[2] $**	**Contributed superannuation[3] $**	**Reportable allowance[4] $**	**Bonus paid[5] $**	**Total $**
Total reportable remuneration (including part-time arrangements):						
$210,000 to $239,999	**2**	**202,850**	**30,470**	**168**	**-**	**233,488**
$300,000 to $329,999	**1**	**292,761**	**33,421**	**-**	**-**	**326,182**
Total number of substantive senior executives	**3**					

Average annual reportable remuneration paid to substantive senior executives in 2012

Average annual reportable remuneration[1]	Senior Executives No.	Reportable salary[2] $	Contributed superannuation[3] $	Reportable allowance[4] $	Bonus paid[5] $	Total $
Total reportable remuneration (including part-time arrangements):						
$180,000 to $209,999	1	169,964	24,176	158	-	194,298
$210,000 to $239,999	1	201,099	28,658	256	-	230,013
$240,000 to $269,999	1	226,180	33,946	-	-	260,126
$300,000 to $329,999	1	272,539	32,254	-	-	304,793
Total number of substantive senior executives	4					

Notes:

1. This table reports substantive senior executives who received remuneration during the reporting period. Each row is an averaged figure based on headcount for individuals in the band.

2. 'Reportable salary' includes the following:
a) gross payments (less any bonuses paid, which are separated out and disclosed in the 'bonus paid' column);
b) reportable fringe benefits (at the net amount prior to 'grossing up' to account for tax benefits);
c) exempt foreign employment income; and
d) salary sacrificed superannuation

3. The 'contributed superannuation' amount is the average actual superannuation contributions paid to senior executives in that reportable remuneration band during the reporting period, as per the individuals' payslips.

4. 'Reportable allowances' are the average actual allowances paid as per the 'total allowances' line on individuals' payment summaries.

5. 'Bonus paid' represents average actual bonuses paid during the reporting period in that reportable remuneration band. The 'bonus paid' within a particular band may vary between financial years due to various factors such as individuals commencing with or leaving the entity during the financial year.

Note 11: Executive Remuneration (continued)

Note 11C: Other Highly Paid Staff

Average annual reportable remuneration paid to other highly paid staff in 2013

Average annual reportable remuneration[1]	Staff No.	Reportable salary[2] $	Contributed superannuation[3] $	Reportable allowance[4] $	Bonus paid[5] $	Total $
Total reportable remuneration (including part-time arrangements):						
$180,000 to $209,999	**1**	**175,539**	**23,518**	**4,067**	**1,000**	**204,124**
$210,000 to $239,999	**1**	**195,947**	**31,273**	**-**	**1,000**	**228,220**
$240,000 to $269,999	**1**	**225,716**	**15,708**	**-**	**1,000**	**242,424**
Total number of other highly paid staff	**3**					

Average annual reportable remuneration paid to other highly paid staff in 2012

Average annual reportable remuneration[1]	Staff No.	Reportable salary[2] $	Contributed superannuation[3] $	Reportable allowance[4] $	Bonus paid[5] $	Total $
Total reportable remuneration (including part-time arrangements):						
$180,000 to $209,999	1	168,154	22,656	388	1,000	192,198
$210,000 to $239,999	1	188,269	27,098	582	1,000	216,949
Total number of other highly paid staff	2					

Notes:

1.This table reports staff:
a) who were employed by the entity during the reporting period;
b) whose reportable remuneration was $180,000 or more for the financial year; and
c) were not required to be disclosed in Table B

2. 'Reportable salary' includes the following:
a) gross payments (less any bonuses paid, which are separated out and disclosed in the 'bonus paid' column);
b) reportable fringe benefits (at the net amount prior to 'grossing up' to account for tax benefits);
c) exempt foreign employment income; and
d) salary sacrificed superannuation

3. The 'contributed superannuation' amount is the average actual superannuation contributions paid to staff in that reportable remuneration band during the reporting period as per the individuals' payslips.

4. 'Reportable allowances' are the average actual allowances paid as per the 'total allowances' line on individuals' payment summaries.

5. 'Bonus paid' represents average actual bonuses paid during the reporting period in that reportable remuneration band. The 'bonus paid' within a particular band may vary between financial years due to various factors such as individuals commencing with or leaving the entity during the financial year.

Note 12: Remuneration of Auditors

	2013	2012
	$	$
Financial statement audit services were provided free of charge to the Agency, by the Australian National Audit Office (ANAO)		
The fair value of the financial statement audit services provided:	**55,000**	54,250
	55,000	54,250

No other services were provided by the auditors of the financial statements.

Note 13: Compensation and Debt Relief

No payment was provided in special circumstances relating to APS employment pursuant to section 73 of the *Public Service Act 1999* (PS Act) during the reporting period. (2012: No payment made).	-	-

Note 14: Financial Instruments

	2013	2012
	$	$
Note 14A: Categories of financial instruments		
Financial assets		
Loans and receivables		
Cash and cash equivalents	**999,734**	1,655,881
Trade receivables	**924,516**	956,995
Carrying amount of financial assets	**1,924,250**	2,612,876
Financial liabilities		
Other liabilities		
Trade creditors	**367,438**	1,035,892
Carrying amount of financial liabilities	**367,438**	1,035,892

Note 14: Financial Instruments (continued)

Note 14B: Credit risk

ARPANSA is exposed to minimal credit risk as loans and receivables are cash and trade receivables. The maximum exposure to credit risk is the risk that arises from potential default of a debtor. This amount is equal to the total amount of trade receivables (2013: $924,516 and 2012:$956,999). ARPANSA has assessed the risk of the default on payment and has allocated $19,699 in 2013 (2012: $21,489) to an impairment allowance account.

ARPANSA has policies and procedures that guide employees' debt recovery techniques that are to be applied when debts are past due.

ARPANSA holds no collateral to mitigate against credit risk.

The table below shows the credit quality of financial instruments not past due or individually determined as impaired.

	Not Past Due Nor Impaired 2013 $	Not Past Due Nor Impaired 2012 $	**Past due or impaired 2013 $**	Past due or impaired 2012 $
Cash and cash equivalent	**999,734**	1,655,881	**-**	-
Trade receivables (gross)	**800,026**	850,438	**124,490**	106,557
Total	**1,799,760**	2,506,319	**124,490**	106,557

Ageing of financial assets that are past due but not impaired for 2013

	0 to 30 days $	**31 to 60 days $**	**61 to 90 days $**	**90+ days $**	**Total $**
Loans and receivables					
Trade receivables (gross)	**97,299**	**26,937**	**254**	**-**	**124,490**
Total	**97,299**	**26,937**	**254**	**-**	**124,490**

Ageing of financial assets that are past due but not impaired for 2012

	0 to 30 days $	**31 to 60 days $**	**61 to 90 days $**	**90+ days $**	**Total $**
Loans and receivables					
Trade receivables (gross)	93,722	12,647	188	-	106,557
Total	93,722	12,647	188	-	106,557

Note 14: Financial Instruments (continued)

Note 14C: Liquidity risk

ARPANSA's financial liabilities are trade creditors. The majority of ARPANSA's funding is appropriated from the Australian Government. The Agency manages its budgeted funds to ensure it has adequate funds to meet payments as they fall due. In addition, ARPANSA has policies in place to ensure timely payments are made when due and has no past experience of default. ARPANSA does not expect to have difficulty meeting its financial liabilities as and when they become due and payable.

Maturities for non-derivative financial liabilities 2013

	within 1 year 2013 $'000	1 to 5 years 2013 $'000	> 5 years 2013 $'000	Total 2013 $'000
Trade creditors	**367,438**	**-**	**-**	**367,438**
Total	**367,438**	**-**	**-**	**367,438**

Maturities for non-derivative financial liabilities 2012

	within 1 year 2012 $'000	1 to 5 years 2012 $'000	> 5 years 2012 $'000	Total 2012 $'000
Trade creditors	1,035,892	-	-	1,035,892
Total	1,035,892	-	-	1,035,892

ARPANSA has no derivative financial liabilities in either 2013 or 2012.

Note 14D: Market Risk

Currency Risk

ARPANSA's exposure to "Currency Risk" is minimal as only a small number of contracts are in currencies other than Australian Dollars.

Interest Rate Risk

ARPANSA's financial instruments are not exposed to interest rate risk.

Other Price Risk

ARPANSA's financial instruments are not exposed to other price risk.

Note 15: Appropriations

In accordance with section 56 of the *Australian Radiation Protection and Nuclear Safety Act 1998,* all monies received by ARPANSA are to be paid into the ARPANSA Special Account. Pursuant to this section, all monies paid into this Account are automatically appropriated for the use of ARPANSA.

Table A: Annual Appropriations ('Recoverable GST exclusive')

	2013 Appropriations				
	Appropriation Act				
	Annual Appropriation	Appropriations reduced (a)	Total appropriation	Appropriation applied in 2013 (current and prior years)	Varianced (b)
	$	$	$	$	$
DEPARTMENTAL					
Ordinary annual services	**15,522,000**		**15,522,000**	**14,928,000**	**594,000**
Other services					
Equity	-	-	-	-	-
Total departmental	**15,522,000**	**-**	**15,522,000**	**14,928,000**	**594,000**

Notes:

(a) Appropriations reduced under Appropriation Acts (Nos. 1,3 and 5) 2012-13: sections 10,11, 12 and 15 and under Appropriation Acts (Nos. 2,4 and 6) 2012-13: sections 12,13, 14 and 17. Departmental appropriations do not lapse at financial year-end. However, the responsible Minister may decide that part or all of a departmental appropriation is not required and request the Finance Minister to reduce that appropriation. The reduction in the appropriation is effected by the Finance Minister's determination and is disallowable by Parliament. In 2012-13 , the Finance Minister did not issue a determination to reduce departmental appropriations, however there was a formal reduction of $88,000.

(b) The variance of $594,000 for departmental ordinary annual services reflects the reduced appropriation amount of $88,000 and movement in appropriation receivable of $506,000.

	2012 Appropriations				
	Appropriation Act				
	Annual Appropriation	Appropriations reduced (a)	Total appropriation	Appropriation applied in 2012 (current and prior years)	Variance (b)
	$	$	$	$	$
DEPARTMENTAL					
Ordinary annual services	**18,483,000**	**-**	**18,483,000**	**20,438,130**	**(1,955,130)**
Other services					
Equity	-	-	-	-	-
Total departmental	**18,483,000**	**-**	**18,483,000**	**20,438,130**	**(1,955,130)**

Notes:

(a) Appropriations reduced under Appropriation Acts (Nos. 1,3 and 5) 2011-12: sections 10,11, 12 and 15 and under Appropriation Acts (Nos. 2,4 and 6) 2011-12: sections 12,13, 14 and 17. Departmental appropriations do not lapse at financial year-end. However, the responsible Minister may decide that part or all of a departmental appropriation is not required and request the Finance Minister to reduce that appropriation. The reduction in the appropriation is effected by the Finance Minister's determination and is disallowable by Parliament. In 2011-12, there was no reduction in departmental appropriations.

(b) The variance of $1,955,130 for departmental ordinary annual services reflects expenditure of prior year appropriation

Note 15: Appropriations (continued)

Table B: Departmental Capital Budgets ('Recoverable GST exclusive')

	2013 Capital Budget Appropriations			Capital Budget Appropriations Applied	
	Appropriation Act				
	Annual Capital Budget $	Appropriations reduced (b) $	Total Capital Budget Appropriations $	Payments for non-financial assets (c) $	Payments for other purposes $
DEPARTMENTAL					
Ordinary annual services - Departmental Capital Budget (a)	1,936,000	-	1,936,000	848,880	-

Notes:

(a) Departmental Capital Budgets are appropriated through Appropriation Acts (No.1,3,5). They form part of ordinary annual services, and are not separately identified in the Appropriation Acts. For more information on ordinary annual services appropriations, please see Table A: Annual appropriations.

(b) Appropriations reduced under Appropriation Acts (No.1,3,5) 2012-13: sections 10, 11, 12 and 15 or via a determination by the Finance Minister.

(c) Payments made on non-financial assets include purchases of assets, expenditure on assets which has been capitalised, costs incurred to make good an asset to its original condition, and the capital repayment component of finance leases.

	2012 Capital Budget Appropriations			Capital Budget Appropriations Applied	
	Appropriation Act				
	Annual Capital Budget $	Appropriations reduced (b) $	Total Capital Budget Appropriations $	Payments for non-financial assets (c) $	Payments for other purposes $
DEPARTMENTAL					
Ordinary annual services - Departmental Capital Budget (a)	2,353,000	-	2,353,000	2,353,000	-

Notes:

(a) Departmental Capital Budgets are appropriated through Appropriation Acts (No.1,3,5). They form part of ordinary annual services, and are not separately identified in the Appropriation Acts. For more information on ordinary annual services appropriations, please see Table A: Annual appropriations.

(b) Appropriations reduced under Appropriation Acts (No.1,3,5) 2011-12: sections 10, 11, 12 and 15 or via a determination by the Finance Minister.

(c) Payments made on non-financial assets include purchases of assets, expenditure on assets which has been capitalised, costs incurred to make good an asset to its original condition, and the capital repayment component of finance leases.

Note 15: Appropriations (continued)

Table C: Unspent Departmental Annual Appropriations ('Recoverable GST exclusive')

Authority	2013	2012
	$	$
DEPARTMENTAL		
Appropriation Act (No. 1) 2011-12	-	580,000
Appropriation Act (No. 1) 2012-13	**1,174,000**	-
Total Departmental	**1,174,000**	580,000

Note 16: Special Accounts

ARPANSA Special Account (Departmental)	2013	2012
	$	$
Establishing Instrument: *ARPANS Act 1998; s56(4)*		
Appropriation: *Financial Management and Accountability Act 1997*; s21		
Purpose: The purpose of the Special Account is set out in the ARPANS Act at section 56(4): “The purposes of the Special Account are to make payments: (a) to further the object of this Act (as set out in section 3); and (b) otherwise in connection with the performance of the CEO's functions under this Act or the Regulations."		
Balance brought forward from previous period	**1,655,881**	1,601,552
Appropriations credited to special account	**14,928,000**	20,438,130
GST credits (FMA Act s30A)	**249,167**	763,107
Other receipts	**11,695,459**	12,148,793
Total increase	**26,872,626**	33,350,030
Available for payments	**28,528,507**	34,951,582
Payments made to employees	**(17,750,046)**	(17,443,603)
Payments made to suppliers	**(9,778,727)**	(15,852,098)
Total decrease	**(27,528,773)**	(33,295,701)
Total Balance carried to next period	**999,734**	1,655,881

Note 17: Compliance with Statutory Conditions for Payments from the Consolidated Revenue Fund

Section 83 of the Constitution provides that no amount may be paid out of the Consolidated Revenue Fund except under an appropriation made by law. The Department of Finance and Deregulation provided information to all agencies in 2011 regarding the need for risk assessments in relation to compliance with statutory conditions on payments from special appropriations, including special accounts.

During 2012-13 additional legal advice was received that indicated there could be breaches of Section 83 under certain circumstances with payments for long service leave, goods and services tax and payments under determinations of the Remuneration Tribunal. The agency has reviewed its processes and controls over payments for these items to minimise the possibility for future breaches as a result of these payments. The agency has determined that there is a low risk of the certain circumstances mentioned in the legal advice applying to the department. The agency is not aware of any specific breaches of Section 83 in respect of these items.

During 2012-13, the agency completed a review of possible exposure to risk of non- compliance with statutory conditions on payments from appropriations. This involved:

• a review of the Australian Radiation Protection and Nuclear Safety Act 1998 and Australian Radiation Protection and Nuclear Safety Regulations 1999; and

• determining the risk of non-compliance by assessing the difficulty of administering the statutory conditions and assessing the extent to which existing payment systems and processes satisfy those conditions

The agency has only one special account involving statutory conditions for payment.

As at 30 June 2013 this work had been completed in respect of all amounts with statutory conditions for payment (representing $25.1m of total expenditure in 2012-13).

The work has identified no issues of non-compliance with Section 83.

Note 18: Reporting of Outcomes

All ARPANSA's transactions fall within Outcome 1, "The Australian people and the environment are protected from the harmful effects of radiation"

Note 18A: Net cost of outcome delivery

	Outcome	
	2013	2012
	$	$
Departmental		
Expenses	**27,401,183**	29,136,734
Own-source income	**11,559,877**	10,554,544
Net cost of outcome delivery	**15,841,306**	18,582,190

Net cost shown include intra-government costs that are eliminated in calculating the actual Budget Outcome.

Note 18B: Major classes of departmental expense, income, assets and

	Outcome	
	2013	2012
	$	$
Expenses		
Employees	**17,314,382**	17,917,929
Suppliers	**7,726,220**	8,502,966
Depreciation and amortisation	**2,330,302**	2,542,795
Write-down and impairment of assets	**30,279**	172,509
Other expenses	**-**	535
Total	**27,401,183**	29,136,734
Income		
Revenue from government	**13,498,000**	16,130,000
Sales of goods and services	**7,131,176**	6,715,124
Licence Fees	**4,428,701**	3,839,420
Other	**55,127**	54,250
Total	**25,113,004**	26,738,794
Assets		
Cash and cash equivalents	**999,734**	1,655,881
Trade and other receivables	**1,995,377**	1,610,080
Other financial assets	**113,746**	81,703
Land and buildings	**18,982,031**	19,229,600
Property, plant and equipment	**6,121,867**	6,702,310
Intangibles	**622,129**	798,005
Inventories	**1,437,945**	1,489,587
Other non-financial assets	**350,383**	459,488
Total	**30,623,212**	32,026,654
Liabilities		
Suppliers	**668,277**	1,378,077
Other payables	**1,289,454**	1,821,394
Employee provisions	**4,909,386**	5,228,201
Total	**6,867,117**	8,427,672

Net cost shown include intra-government costs that are eliminated in calculating the actual Budget Outcome.

Note 19: Net Cash Appropriation Arrangements

	2013 $	2012 $
Total comprehensive income (loss) less depreciation/amortisation expenses previously funded through revenue appropriations *	**551,415**	3,576,140
Plus: depreciation/amortisation expenses previously funded through revenue appropriations		
Depreciation and amortisation expenses	**(2,330,302)**	(2,542,795)
Total comprehensive income (loss) as per the Statement of Comprehensive Income	**(1,778,887)**	1,033,346

* From 2010-11, the Government introduced net cash appropriation arrangements, where revenue appropriations for depreciation/amortisation expenses ceased. Entities now receive a separate capital budget provided through equity appropriations. Capital budgets are to be appropriated in the period when cash payment for capital expenditure is required.