

# PART SIX. FINANCIAL STATEMENTS

PART SIX PRESENTS THE NBA'S FINANCIAL STATEMENTS  
FOR THE YEAR ENDING 30 JUNE 2009.



## INDEPENDENT AUDITOR'S REPORT

To the Minister for Health and Ageing

### Scope

I have audited the accompanying financial statements of the National Blood Authority for the year ended 30 June 2009, which comprise: a Statement by the Chief Executive Officer and Chief Finance Officer; Income Statement; Balance Sheet; Statement of Changes in Equity; Cash Flow Statement; Schedule of Commitments and Contingencies; Schedule of Administered Items; and Notes to and Forming Part of the Financial Statements, including a Summary of Significant Accounting Policies.

### *The Responsibility of Chief Executive for the Financial Statements*

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

### *Auditor's Responsibility*

My responsibility is to express an opinion on the financial statements based on my audit. I have conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. These auditing standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the National Blood Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are

appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the National Blood Authority's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the National Blood Authority's Chief Executive, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

#### *Independence*

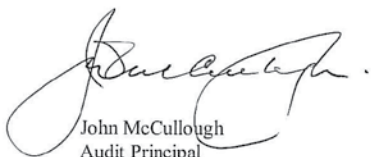
In conducting the audit, I have followed the independence requirements of the Australian National Audit Office, which incorporate the requirements of the Australian accounting profession.

#### Auditor's Opinion

In my opinion, the financial statements of the National Blood Authority:

- (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 National Blood Authority's financial position as at 30 June 2009 and its financial performance and cash flows for the year then ended.

Australian National Audit Office



John McCullough  
Audit Principal  
Delegate of the Auditor-General

Canberra

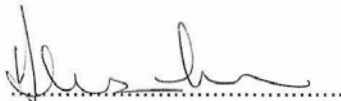
13 August 2009

**National Blood Authority  
Financial Statements  
For the year ended 30 June 2009**

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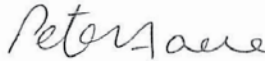
**Statement by the Chief Executive Officer and Chief Finance Officer**

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



A J Turner  
Chief Executive Officer

13 August 2009



P G Hade  
Chief Finance Officer

13 August 2009

**NATIONAL BLOOD AUTHORITY  
INCOME STATEMENT**

for the year ended 30 June 2009

	Notes	2009 \$'000	2008 \$'000
<b>INCOME</b>			
<b>Revenue</b>			
Revenue from Government	3A	5 865	5 993
Sale of goods and rendering of services	3B	3 877	4 294
<b>Total revenue</b>		<b>9 742</b>	<b>10 287</b>
<b>Gains</b>			
Other gains	3C	112	114
<b>Total gains</b>		<b>112</b>	<b>114</b>
<b>Total income</b>		<b>9 854</b>	<b>10 401</b>
<b>EXPENSES</b>			
Employee benefits	4A	6 162	5 826
Suppliers	4B	2 709	2 621
Depreciation and amortisation	4C	867	554
Write-down and impairment of assets	4D	-	20
Losses from asset sales	4E	11	-
<b>Total expenses</b>		<b>9 749</b>	<b>9 021</b>
<b>Surplus</b>		<b>105</b>	<b>1 380</b>
<b>Surplus attributable to the Australian Government</b>		<b>105</b>	<b>1 380</b>

**NATIONAL BLOOD AUTHORITY  
BALANCE SHEET**

as at 30 June 2009

	Notes	2009 \$'000	2008 \$'000
<b>ASSETS</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	5A,9	22	63
Trade and other receivables	5B	8 536	9 252
<b>Total financial assets</b>		<b>8 558</b>	<b>9 315</b>
<b>Non-Financial Assets</b>			
Leasehold improvements	6A, 6D	96	144
Infrastructure, plant and equipment	6B, 6D	483	726
Intangibles	6C, 6D	1 647	1 689
Other non-financial assets	6E	77	67
<b>Total non-financial assets</b>		<b>2 303</b>	<b>2 626</b>
<b>Total Assets</b>		<b>10 861</b>	<b>11 941</b>
<b>LIABILITIES</b>			
<b>Payables</b>			
Suppliers	7A	381	999
Other payables	7B	2 286	3 097
<b>Total payables</b>		<b>2 667</b>	<b>4 096</b>
<b>Provisions</b>			
Employee provisions	8	1 201	957
<b>Total provisions</b>		<b>1 201</b>	<b>957</b>
<b>Total Liabilities</b>		<b>3 868</b>	<b>5 053</b>
<b>Net Assets</b>		<b>6 993</b>	<b>6 888</b>
<b>EQUITY</b>			
<b>Parent Entity Interest</b>			
Contributed equity		812	812
Reserves		15	15
Retained surplus		6 166	6 061
<b>Total Parent Entity Interest</b>		<b>6 993</b>	<b>6 888</b>
<b>Total Equity</b>		<b>6 993</b>	<b>6 888</b>
<b>Current Assets</b>		<b>8 635</b>	<b>9 382</b>
<b>Non-Current Assets</b>		<b>2 226</b>	<b>2 559</b>
<b>Current Liabilities</b>		<b>3 637</b>	<b>4 927</b>
<b>Non-Current Liabilities</b>		<b>231</b>	<b>126</b>

NATIONAL BLOOD AUTHORITY  
STATEMENT OF CHANGES IN EQUITY  
as at 30 June 2009

Item	Retained Earnings		Asset Revaluation Reserve		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>								
Balance carried forward from previous period	6 061	4 439	15	15	812	812	6 888	5 266
Adjustment for errors	-	242	-	-	-	-	-	242
Adjustment for changes in accounting policies	-	-	-	-	-	-	-	-
<b>Adjusted opening balance</b>	<b>6 061</b>	<b>4 681</b>	<b>15</b>	<b>15</b>	<b>812</b>	<b>812</b>	<b>6 888</b>	<b>5 508</b>
<b>Income and expenses</b>								
Revaluation adjustment	-	-	-	-	-	-	-	-
<b>Sub-total income and expenses recognised directly in equity</b>	<b>6 061</b>	<b>4 681</b>	<b>15</b>	<b>15</b>	<b>812</b>	<b>812</b>	<b>6 888</b>	<b>5 508</b>
Surplus for the period	105	1 380	-	-	-	-	105	1 380
<b>Total income and expenses</b>	<b>6 166</b>	<b>6 061</b>	<b>15</b>	<b>15</b>	<b>812</b>	<b>812</b>	<b>6 993</b>	<b>6 888</b>
of which:								
attributable to Australian Government	6 166	6 061	15	15	-	-	6 181	6 076
<b>Transactions with owners</b>								
<b>Distributions to owners</b>								
Returns of capital	-	-	-	-	-	-	-	-
<b>Contributions by owners</b>								
Appropriation (equity injection)	-	-	-	-	-	-	-	-
<b>Sub-total transactions with owners</b>								
Transfers between equity components	-	-	-	-	-	-	-	-
<b>Closing balance as at 30 June</b>	<b>6 166</b>	<b>6 061</b>	<b>15</b>	<b>15</b>	<b>812</b>	<b>812</b>	<b>6 993</b>	<b>6 888</b>
<b>Closing balance attributable to the Australian Government</b>	<b>6 166</b>	<b>6 061</b>	<b>15</b>	<b>15</b>	<b>812</b>	<b>812</b>	<b>6 993</b>	<b>6 888</b>

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

**NATIONAL BLOOD AUTHORITY  
CASHFLOW STATEMENT**

for the year ended 30 June 2009

	Notes	2009 \$'000	2008 \$'000
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Goods and services		3 709	3 637
Appropriations		5 447	5 993
Net GST received		401	463
<b>Total cash received</b>		<u>9 557</u>	<u>10 093</u>
<b>Cash used</b>			
Employees		5 551	5 816
Suppliers		3 904	2 555
<b>Total cash used</b>		<u>9 455</u>	<u>8 371</u>
<b>Net cash flows from operating activities</b>	9	<u>102</u>	<u>1 722</u>
<b>INVESTING ACTIVITIES</b>			
<b>Cash used</b>			
Purchase of property, plant and equipment		121	1 308
Purchase of intangibles		423	417
<b>Total cash used</b>		<u>544</u>	<u>1 725</u>
<b>Net cash flows used by investing activities</b>		<u>( 544)</u>	<u>(1 725)</u>
<b>FINANCING ACTIVITIES</b>			
<b>Cash received</b>			
Contributed equity		-	317
<b>Total cash received</b>		<u>-</u>	<u>317</u>
<b>Net cash flows from financing activities</b>		<u>-</u>	<u>317</u>
<b>Net increase (decrease) in cash held</b>		<u>( 442)</u>	<u>314</u>
Cash and cash equivalents at the beginning of the reporting period		<u>63</u>	<u>53</u>
Cash transferred to (from) the Official Public Account		<u>401</u>	<u>( 304)</u>
<b>Cash and cash equivalents at the end of the reporting period</b>	5A	<u>22</u>	<u>63</u>



**NATIONAL BLOOD AUTHORITY**  
**SCHEDULE OF COMMITMENTS AND CONTINGENCIES**

as at 30 June 2009

SCHEDULE OF COMMITMENTS	2009	2008
BY TYPE	\$'000	\$'000
<b>Commitments receivable</b>		
GST recoverable on commitments	161	175
<b>Total commitments receivable</b>	<u>161</u>	<u>175</u>
<b>Commitments payable</b>		
<b>Capital commitments</b>		
Infrastructure, plant and equipment	-	-
Intangibles	373	373
Other capital commitments	-	-
<b>Total capital commitments</b>	<u>373</u>	<u>373</u>
<b>Other commitments</b>		
Operating leases <sup>1</sup>	1 029	630
Other commitments	364	918
<b>Total other commitments</b>	<u>1 393</u>	<u>1 548</u>
<b>Net commitments by type</b>	<u><u>1 605</u></u>	<u><u>1 746</u></u>
<b>BY MATURITY</b>		
<b>Commitments receivable</b>		
<b>Other commitments receivable</b>		
One year or less	82	136
From one to five years	79	39
<b>Total other commitments receivable</b>	<u>161</u>	<u>175</u>
<b>Commitments payable</b>		
<b>Capital commitments</b>		
One year or less	263	195
From one to five years	110	178
<b>Total capital commitments</b>	<u>373</u>	<u>373</u>
<b>Operating lease commitments</b>		
One year or less	449	504
From one to five years	580	126
<b>Total operating lease commitments</b>	<u>1 029</u>	<u>630</u>
<b>Other commitments</b>		
One year or less	191	799
From one to five years	173	119
<b>Total other commitments</b>	<u>364</u>	<u>918</u>
<b>Net commitments by maturity</b>	<u><u>1 605</u></u>	<u><u>1 746</u></u>

NB: Commitments are GST inclusive where relevant.

<sup>1</sup> Operating leases included are effectively non cancellable and comprise:

<b>Nature of lease</b>	<b>General description of leasing arrangement</b>
Lease for Canberra office accommodation	The current lease for office accommodation has been extended until 31 October 2011.
Lease for Melbourne office accommodation	The current lease for office accommodation expires on 31 October 2009. As at 30 June 2009, no future lease agreement has been signed.
Agreements for the provision of motor vehicles to senior executive officers	Non-contingent rentals exist. There are no renewal or purchase options available to the Authority.

**SCHEDULE OF CONTINGENCIES**

Quantifiable Contingencies

None

Unquantifiable but material contingencies are disclosed in **Note 10: Contingent Liabilities and Assets**

**NATIONAL BLOOD AUTHORITY  
SCHEDULE OF ADMINISTERED ITEMS**

	Notes	2009 \$'000	2008 \$'000
<b>Income administered on behalf of Government</b>			
<i>for the year ended 30 June 2009</i>			
<b>Revenue</b>			
<b>Non-taxation revenue</b>			
Sale of goods and rendering of services	14	829 190	699 596
<b>Total income administered on behalf of Government</b>		<b>829 190</b>	<b>699 596</b>
<b>Expenses administered on behalf of Government</b>			
<i>for the year ended 30 June 2009</i>			
Grants	15A	433 385	385 029
Suppliers	15B	356 568	340 749
Amortisation	15C	66	-
Write-down and impairment of assets	15D	3 037	-
<b>Total expenses administered on behalf of Government</b>		<b>793 056</b>	<b>725 778</b>

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

**NATIONAL BLOOD AUTHORITY**  
**SCHEDULE OF ADMINISTERED ITEMS (continued)**

	Notes	2009 \$'000	2008 \$'000
<b>Assets administered on behalf of Government</b>			
<i>as at 30 June 2009</i>			
<b>Financial assets</b>			
Receivables	16A	9 969	12 535
<b>Total financial assets</b>		<b>9 969</b>	<b>12 535</b>
<b>Non-financial assets</b>			
Inventories	16B	65 462	60 364
Intangibles	16C	498	296
Other non-financial assets	16D	12	-
<b>Total non-financial assets</b>		<b>65 972</b>	<b>60 660</b>
<b>Total assets administered on behalf of Government</b>		<b>75 941</b>	<b>73 195</b>
<b>Liabilities administered on behalf of Government</b>			
<i>as at 30 June 2009</i>			
<b>Payables</b>			
Suppliers	17A	36 908	34 518
Other payables	17B	-	206
<b>Total payables</b>		<b>36 908</b>	<b>34 724</b>
<b>Total liabilities administered on behalf of Government</b>		<b>36 908</b>	<b>34 724</b>

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

**NATIONAL BLOOD AUTHORITY**  
**SCHEDULE OF ADMINISTERED ITEMS (continued)**

	Notes	2009 \$'000	2008 \$'000
<b>Administered Cash Flows</b>			
<i>for the year ended 30 June 2009</i>			
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Commonwealth contributions		523 807	443 364
State and territory contributions		303 833	253 316
Net GST received		79 139	69 469
Other		1 420	-
<b>Total cash received</b>		<b>908 199</b>	<b>766 149</b>
<b>Cash used</b>			
Grant payments		477 058	423 318
Suppliers		395 302	352 030
<b>Total cash used</b>		<b>872 360</b>	<b>775 348</b>
<b>Net cash flows from (used by) operating activities</b>		<b>35 839</b>	<b>(9 199)</b>
<b>INVESTING ACTIVITIES</b>			
<b>Cash used</b>			
Purchase of intangibles		267	296
<b>Total cash used</b>		<b>267</b>	<b>296</b>
<b>Net cash flows used by investing activities</b>		<b>( 267)</b>	<b>( 296)</b>
<b>Net increase (decrease) in Cash Held</b>		<b>35 572</b>	<b>(9 495)</b>
Cash and cash equivalents at the beginning of the reporting period		-	-
Cash from Official Public Account for:			
- Appropriations		10 893	7 606
- Special accounts		872 627	775 644
		<b>883 520</b>	<b>783 250</b>
Cash to Official Public Account for:			
- Special accounts		919 092	773 755
		<b>919 092</b>	<b>773 755</b>
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>-</b>	<b>-</b>

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

NATIONAL BLOOD AUTHORITY  
SCHEDULE OF ADMINISTERED ITEMS (continued)

	2009 \$'000	2008 \$'000
<b>Administered Commitments</b> <i>as at 30 June 2009</i>		
<b>BY TYPE</b>		
<b>Commitments receivable</b>		
GST recoverable on commitments	81 619	83 731
<b>Total commitments receivable</b>	<u>81 619</u>	<u>83 731</u>
<b>Commitments payable</b>		
<b>Capital commitments</b>		
Intangibles <sup>1</sup>	372	1 071
<b>Total capital commitments</b>	<u>372</u>	<u>1 071</u>
<b>Other commitments</b>		
Other commitments <sup>2</sup>	897 433	919 967
<b>Total other commitments</b>	<u>897 433</u>	<u>919 967</u>
<b>Net commitments by type</b>	<u><b>816 186</b></u>	<u><b>837 307</b></u>
<b>BY MATURITY</b>		
<b>Commitments receivable</b>		
<b>Other commitments receivable</b>		
One year or less	64 137	70 153
From one to five years	17 482	13 578
<b>Total other commitments receivable</b>	<u>81 619</u>	<u>83 731</u>
<b>Commitments payable</b>		
<b>Capital commitments</b>		
One year or less	165	330
From one to five years	207	741
<b>Total capital commitments</b>	<u>372</u>	<u>1 071</u>
<b>Other commitments</b>		
One year or less	705 346	771 354
From one to five years	192 087	148 613
<b>Total other commitments <sup>1</sup></b>	<u>897 433</u>	<u>919 967</u>
<b>Net commitments by maturity</b>	<u><b>816 186</b></u>	<u><b>837 307</b></u>

NB: All commitments are GST inclusive where relevant.

<sup>1</sup> Capital commitments relate to amounts payable under agreements or contracts for the development and maintenance of internally generated software in respect of which the supplier has yet to provide goods or services.

<sup>2</sup> Other commitments relate to amounts payable under agreements or contracts in respect of which the grantee or supplier has yet to provide goods or services for blood or blood related products required under the agreement or contract to meet demand under the National Supply Plan and Budget.

**NATIONAL BLOOD AUTHORITY**  
**SCHEDULE OF ADMINISTERED ITEMS (continued)**

**Administered Contingencies**

*as at 30 June 2009*

There were no quantifiable administered contingent liabilities as at 30 June 2009.

Unquantifiable but material contingencies are disclosed in **Note 19: Administered Contingent Liabilities and Assets**

**Statement of Activities Administered on Behalf of Government**

The major activities of the National Blood Authority are directed towards managing national blood arrangements, ensuring sufficient supply and to provide a new focus on the safety and quality of blood products and services.

The NBA manages and coordinates Australia's blood supply in accordance with the National Blood Agreement agreed by the Commonwealth, States and Territories. Under this agreement, the Commonwealth contributes 63 per cent of overall costs in the blood sector and the States and Territories provide 37 per cent. The funding for blood and blood products is funded from a special account established under the *National Blood Authority Act 2003*.

Details of planned activities for the year can be found in the Agency Portfolio Budget and Portfolio Additional Estimates for 2008 - 09 which have been tabled in Parliament.

**NATIONAL BLOOD AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
for the year ended 30 June 2009

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**NATIONAL BLOOD AUTHORITY  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

for the year ended 30 June 2009

**NOTE 1 Summary of Significant Accounting Policies**

**1.1 Objectives of the National Blood Authority**

The National Blood Authority (NBA) is an Australian Government statutory authority which was established on 1 July 2003 with the principal role of managing national blood arrangements, ensuring sufficient supply and providing a new focus on the quality and appropriateness of blood products.

The NBA manages and coordinates Australia's blood supply in accordance with the National Blood Agreement agreed by the Australian Government, States and Territories. Under this agreement, the Australian Government contributes 63 per cent of overall costs in the blood sector and the States and Territories provide 37 per cent. The NBA operates under a special account – the National Blood Account. Revenues and expenses associated with the funding and supply of blood and blood products, as well as the operations of the NBA are recorded in this special account.

The NBA also operates a special account – the National Managed Fund (Blood and Blood products) Special Account which is intended to meet potential blood and blood products liability claims against the Australian Red Cross Blood Service.

The NBA contributes to the Department of Health and Ageing Portfolio Outcome 13 - Acute Care, under the following outcome and output group:

Outcome	Output Group
Australia's blood supply is secure and well managed.	Output Group 1 – Meet product demand through effective planning and the management of supply arrangements.

NBA activities contributing to this outcome are classified as either departmental or administered. Departmental activities involve the use of assets, liabilities, income and expenses controlled or incurred by the NBA in its own right. Administered activities involve the management or oversight by the NBA, on behalf of the Government, of items controlled or incurred by the Government.

The continued existence of the NBA in its present form, and with its present programs, is dependent on Government policy and on continuing appropriations by Parliament and contributions from States and Territories for the NBA's administration and programs.

**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.

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.



**NATIONAL BLOOD AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

for the year ended 30 June 2009

**1.2 Basis of Preparation of the Financial Report (cont..)**

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 NBA 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.

Administered revenues, expenses, assets and liabilities and cash flows reported in the Schedule of Administered Items and related notes are accounted for on the same basis and using the same policies as for departmental items, except where otherwise stated at Note 1.18.

**1.3 Significant Accounting Judgments and Estimates**

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 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.

The following new standards were applicable to the current reporting period and had a disclosure impact on the NBA:

- AASB 1004 Contributions
- AASB 1050 Administered Items

Other new standards, revised standards, interpretations and amending standards that were issued prior to the signing of the statement by the chief executive and chief financial officer 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 NBA.

Future Australian Accounting Standard Requirements

The following new standards, revised standards, interpretations and amending standards were issued by the Australian Accounting Standards Board prior to the signing of the statement by the chief executive and chief financial officer, which are expected to have a financial impact on the NBA for future reporting periods:

- AASB 101 Presentation of Financial Statements
- AASB 2008-5 Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 5, 7, 101, 102, 107, 108, 110, 116, 118, 119, 120, 123, 127, 128, 129, 131, 132, 134, 136, 138, 139, 140, 141, 1023 & 1038]

Other new standards, revised standards, interpretations and amending standards 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 NBA.

**NATIONAL BLOOD AUTHORITY  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

*for the year ended 30 June 2009*

**1.5 Revenue**

Revenue from Government

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

Appropriations receivable are recognised at their nominal amounts.

Other Types of Revenue

Revenue from the sale of goods is recognised when:

- the risks and rewards of ownership have been transferred to the buyer;
- the seller retains no managerial involvement nor effective control over the goods;
- the revenue and transaction costs incurred can be reliably measured; and
- it is probable that the economic benefits associated with the transaction will flow to the NBA.

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

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

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 balance date. Allowances are made when collectability of the debt is no longer probable.

**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. (Refer to Note 1.7)

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

Sale of Assets

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

**NATIONAL BLOOD AUTHORITY**  
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*for the year ended 30 June 2009*

**1.7 Transactions with the Government as Owner**

Equity Injections

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

Restructuring of Administrative Arrangements

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

**1.8 Employee Benefits**

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 *Employee Benefits*) and termination benefits due within twelve months of balance date are measured at their nominal amounts.

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

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

Leave

The liability for employee entitlements 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 NBA 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 estimated salary rates that applied at the time the leave is taken, including the NBA'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 has been determined by reference to the work of an actuary as at 30 June 2009. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

Superannuation

Staff of the NBA are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), the PSS Accumulation Plan (PSSap), the Australian Government Employee Superannuation Trust (AGEST) or other non-government superannuation funds.

The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap, AGEST and the non-government superannuation funds are defined contribution schemes.

**NATIONAL BLOOD AUTHORITY  
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for the year ended 30 June 2009

**1.8 Employee Benefits (cont.)**

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported by the Department of Finance and Deregulation as an administered item.

The NBA makes employer contributions to the employee superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the Government of the superannuation entitlements of the NBA's employees. The NBA 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 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.

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 3 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**

The NBA classifies its financial assets as 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.

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.

**NATIONAL BLOOD AUTHORITY**  
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*for the year ended 30 June 2009*

**1.11 Financial Assets (cont..)**

Loans and Receivables

Trade receivables, appropriations 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 and 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.

- *financial assets held at amortised cost* - if there is objective evidence that an impairment loss has been incurred for loans and receivables 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 income statement.

**1.12 Financial Liabilities**

Financial liabilities are classified as other financial liabilities.

Financial liabilities are recognised and derecognised upon 'trade date'.

Other Financial 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).

**1.13 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.

**1.14 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.

**NATIONAL BLOOD AUTHORITY  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

for the year ended 30 June 2009

**1.15 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 the thresholds listed below for each class of asset, 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).

<b>Asset class</b>	<b>Recognition Threshold</b>
Infrastructure, Plant and Equipment	\$2,000
Purchased Software	\$5,000
Leasehold improvements	\$10,000
Internally Developed Software	\$50,000

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to 'makegood' provisions in property leases taken up by the NBA where there exists an obligation to restore the property to its original condition. These costs are included in the value of the NBA's leasehold improvements with a corresponding provision for the 'makegood' recognised.

Revaluations

All valuations are conducted by an independent qualified valuer and are undertaken by the Australian Valuation Office.

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 & equipment	Market selling price

Following initial recognition at cost, infrastructure, 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.

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 infrastructure, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the NBA 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.

**NATIONAL BLOOD AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
*for the year ended 30 June 2009*

**1.15 Property, Plant and Equipment (cont..)**

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

<b>Asset class</b>	<b>2008 - 09</b>	<b>2007 - 08</b>
Infrastructure, Plant and Equipment	<b>3 to 7 years</b>	3 to 7 years
Leasehold improvements	<b>Lease term</b>	Lease term

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

Impairment

All assets were assessed for impairment at 30 June 2009. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

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 the NBA were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

**1.16 Intangibles**

The NBA's intangibles comprise internally developed software and 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 the NBA's software are:

<b>Type</b>	<b>2008 - 09</b>	<b>2007 - 08</b>
Purchased software	<b>3 years</b>	3 years
Internally developed software	<b>5 years</b>	3 years

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

**1.17 Taxation**

The NBA 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 the GST incurred is not recoverable from the Australian Taxation Office; and
- except for receivables and payables.

**NATIONAL BLOOD AUTHORITY  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

for the year ended 30 June 2009

**1.18 Reporting of Administered Activities**

Administered revenues, expenses, assets, liabilities and cash flows are disclosed in the schedule of administered items and related notes.

Except where otherwise stated below, administered items are accounted for on the same basis and using the same policies as for departmental items, including the application of Australian Accounting Standards.

Change in Accounting Treatment and Prior Year Comparatives

In the current year an exemption has been granted from Order 86.1 of the Finance Minister's Orders. The impact of the exemption is that, with the exception of administered appropriations, all administered transactions between the NBA and other wholly owned Australian Government entities and relevant assets and liabilities are recognised in the Schedule of Administered Items. Where necessary, prior year comparative figures have also been adjusted accordingly.

Administered Cash Transfers to and from the Official Public Account

Revenue collected by the NBA for use by the Government rather than the NBA is administered revenue. Collections are transferred to the Official Public Account (OPA) maintained by the Department of Finance and Deregulation. Conversely, cash is drawn from the OPA to make payments under Parliamentary appropriation on behalf of Government. These transfers to and from the OPA are adjustments to the administered cash held by the NBA on behalf of the Government and reported as such in the statement of cash flows in the schedule of administered items and in the administered reconciliation table in Note 18. The schedule of administered items largely reflects the Government's transactions, through the NBA, with parties outside the Government.

Revenue

All administered revenues are revenues relating to the course of ordinary activities performed by the NBA on behalf of the Australian Government.

Administered fee revenue is recognised when access occurs. Collectability of debts is reviewed at balance date. Allowances are made when collection of the debt is judged to be less rather than more likely.

Amounts appropriated during the year for administered interest are recognised in the Balance Sheet.

Grants

The NBA administers a number of grant schemes on behalf of the Government. Grant liabilities are recognised to the extent that (i) the services required to be performed by the grantee have been performed or (ii) the grant eligibility criteria have been satisfied, but payments due have not been made. A commitment is recorded when the Government enters into an agreement to make these grants but services have not been performed or criteria satisfied.

Inventories of Blood and Blood Related Products

The Australian Government controls the National Reserve of Blood and Blood Related Products (the "Reserve"). There are three significant input costs to the Reserve:

- Collection costs of raw plasma product provided by the Australian Red Cross Blood Service (ARCBS);
- Purchase costs paid to CSL Limited (CSL) for the plasma product; and
- Purchase costs paid to other suppliers for blood related products.



**NATIONAL BLOOD AUTHORITY**  
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for the year ended 30 June 2009

**1.18 Reporting of Administered Activities (cont.)**

Since the establishment of the NBA, processes have been put in place that allow for the collection of data to enable measurement of these costs. A costing methodology has been agreed and will be reviewed annually to ensure reliability and appropriateness.

The NBA negotiated and implemented new arrangements with CSL in December 2004. These arrangements formalised the control of an inventory buffer, known as Post Payment Inventory of Blood Products ("PoPI"), held at CSL for use by Governments.

The Australian Government now controls PoPI and from 2004-05 it has been disclosed in the financial statements for the NBA. There are two significant input costs to PoPI:

- Collection costs of raw plasma product provided by the ARCBS; and
- Purchase costs paid to CSL Ltd for the plasma product.

The NBA negotiated and implemented new arrangements with the ARCBS in August 2006. These arrangements formalised the control of the inventory held by ARCBS on behalf of the NBA for distribution to approved recipients.

The Australian Government now controls ARCBS inventory and from 2006-07 it has been disclosed in the financial statements for the NBA. There are three significant input costs to ARCBS Inventory:

- Collection costs of raw plasma product provided by the ARCBS;
- Purchase costs paid to CSL Ltd for the plasma product; and
- Purchase costs paid to other suppliers for blood related products.

Inventories are valued at the lower of cost and replacement cost per the requirements of Accounting Standard AASB 102. A costing methodology has been agreed and will be reviewed annually to ensure reliability and appropriateness.

Movements in the Reserve, PoPI and ARCBS are funded from the Australian Government and State and Territories as per the National Blood Agreement.

National Managed Fund

The National Managed Fund was established to manage the liability risks of the ARCBS in relation to the provision of blood and blood products. The National Managed Fund was reported in 2003-04 by the Department of Health and Ageing under "Services for Other Governments and Non-Departmental Bodies Special Account". The NBA now manages this fund on behalf of the Australian Government and States and Territories. To facilitate the transfer of the fund to the NBA a special account under Section 20 of the *Financial Management and Accountability (FMA) Act 1997* was established, and this fund was transferred to the NBA for reporting.

The Fund came into effect on 1 July 2000 and to date, no claims have been made against the fund. The balance of the fund as at 30 June 2009 is \$63,597,682 (30 June 2008: \$51,817,761). Refer to Note 22.

Indemnities

The maximum amounts payable under the indemnities given is disclosed in the Schedule of Administered Items – Contingencies. At the time of completion of the financial statements, there was no reason to believe that the indemnities would be called upon, and no recognition of any liability was therefore required.

**NATIONAL BLOOD AUTHORITY  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30 June 2009**

**NOTE 2      Events after the Balance Sheet Date**

There were no significant events occurring after 30 June 2009.

NATIONAL BLOOD AUTHORITY  
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
 for the year ended 30 June 2009

	2009 \$'000	2008 \$'000
<b>NOTE 3 Income</b>		
<b>Revenue</b>		
<b><u>Note 3A - Revenue from Government</u></b>		
Appropriations:		
Departmental outputs	5 865	5 993
<b>Total revenue from Government</b>	<u>5 865</u>	<u>5 993</u>
Departmental outputs includes \$417,925 revenue (2008: \$nil) which had been previously received and recognised as unearned revenue (Refer Note 7B).		
<b><u>Note 3B - Sale of Goods and Rendering of Services</u></b>		
Rendering of services - related entities	409	634
Rendering of services - external parties	3 468	3 660
<b>Total sale of goods and rendering of services</b>	<u>3 877</u>	<u>4 294</u>
<b>Gains</b>		
<b><u>Note 3C - Other Gains</u></b>		
Resources received free of charge	112	114
<b>Total other gains</b>	<u>112</u>	<u>114</u>

**NATIONAL BLOOD AUTHORITY**  
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**for the year ended 30 June 2009**

	2009	2008
	\$'000	\$'000
<b>NOTE 4 Expenses</b>		
<b><u>Note 4A - Employee Benefits</u></b>		
Wages and salaries	4 010	3 514
Superannuation:		
Defined contribution plans	299	222
Defined benefit plans	465	426
Leave and other entitlements	1 043	787
Other employee expenses	345	877
<b>Total employee benefits</b>	<b>6 162</b>	<b>5 826</b>
<b><u>Note 4B - Suppliers</u></b>		
Provision of goods - external parties	218	196
Rendering of services - related entities	241	161
Rendering of services - external parties	1 798	1 872
Operating lease rentals - external parties:		
Minimum lease payments	390	354
Workers compensation premiums	62	38
<b>Total supplier expenses</b>	<b>2 709</b>	<b>2 621</b>
<b><u>Note 4C - Depreciation and Amortisation</u></b>		
Depreciation:		
Infrastructure, plant and equipment	331	339
Leasehold improvements	70	99
<b>Total depreciation</b>	<b>401</b>	<b>438</b>
Intangibles:		
Computer Software	466	116
<b>Total amortisation</b>	<b>466</b>	<b>116</b>
<b>Total depreciation and amortisation</b>	<b>867</b>	<b>554</b>
<b><u>Note 4D - Write-Down and Impairment of Assets</u></b>		
Asset write-downs and impairments from:		
Impairment of infrastructure, plant and equipment	-	20
<b>Total write-down and impairment of assets</b>	<b>-</b>	<b>20</b>
<b><u>Note 4E - Losses from Asset Sales</u></b>		
Infrastructure, plant and equipment		
Proceeds from sale - trade in value	( 13)	-
Carrying value of assets sold	24	-
<b>Total losses from asset sales</b>	<b>11</b>	<b>-</b>

NATIONAL BLOOD AUTHORITY  
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
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	2009 \$'000	2008 \$'000
<b>NOTE 5 Financial Assets</b>		
<b><u>Note 5A - Cash and Cash Equivalents</u></b>		
Cash on hand or on deposit	22	63
<b><i>Total cash and cash equivalents</i></b>	<b>22</b>	<b>63</b>
<b><u>Note 5B - Trade and Other Receivables</u></b>		
Goods and services - external parties	-	250
GST receivable from the Australian Taxation Office	51	116
Special Account - Cash held in the OPA	8 485	8 886
<b><i>Total trade and other receivables (net)</i></b>	<b>8 536</b>	<b>9 252</b>
All receivables are current assets. No impairment allowance account is required.		
Credit terms are net 30 days (2007-08: 30 days).		
Receivables are aged as follows:		
Not overdue	8 485	8 886
Overdue by less than 30 days	51	366
<b><i>Total receivables (gross)</i></b>	<b>8 536</b>	<b>9 252</b>

NATIONAL BLOOD AUTHORITY  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
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	2009 \$'000	2008 \$'000
<b>NOTE 6 Non-Financial Assets</b>		
<b><u>Note 6A - Leasehold improvements</u></b>		
Fair value	265	243
Accumulated depreciation	( 169)	( 99)
<b>Total leasehold improvements (non-current)</b>	<b>96</b>	<b>144</b>
No indicators of impairment were found for leasehold improvements.		
<b><u>Note 6B - Infrastructure, Plant and Equipment</u></b>		
Gross carrying value (at fair value)	1 135	1 061
Accumulated depreciation	( 652)	( 335)
<b>Total infrastructure, plant and equipment (non-current)</b>	<b>483</b>	<b>726</b>
All revaluations were conducted in accordance with the revaluation policy stated at Note 1.		
No indicators of impairment were found for infrastructure, plant and equipment.		
<b><u>Note 6C - Intangibles</u></b>		
Computer software - at cost		
Internally developed - in progress	-	1 437
Internally developed - in use	1 839	39
Purchased - in use	555	533
<b>Total computer software</b>	<b>2 394</b>	<b>2 009</b>
Accumulated amortisation - internally developed	( 337)	( 39)
Accumulated amortisation - purchased	( 410)	( 281)
<b>Total intangibles (non-current)</b>	<b>1 647</b>	<b>1 689</b>
No indicators of impairment were found for intangible assets.		

NATIONAL BLOOD AUTHORITY  
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NOTE 6 Non-Financial Assets (cont.)

Note 6D - Analysis of Property, Plant and Equipment and Intangibles

Table A - Reconciliation of the opening and closing balances of property, plant and equipment, and intangibles (2008-09)

Item	Leasehold improvements \$'000	Infrastructure plant and equipment \$'000	Total Property, Plant and Equipment \$'000	Intangibles - Computer software internally developed \$'000	Intangibles - Computer software purchased \$'000	Total Intangibles \$'000
<b>As at 1 July 2008</b>						
Gross book value	243	1,061	1,304	39	533	572
Accumulated depreciation/amortisation and impairment	(99)	(355)	(454)	(39)	(261)	(320)
<b>Net book value 1 July 2008</b>	<b>144</b>	<b>726</b>	<b>870</b>	<b>-</b>	<b>252</b>	<b>252</b>
<b>Additions:</b>						
By purchase/internally developed	22	112	134	1839	22	1851
Depreciation/amortisation expense	(70)	(351)	(401)	(337)	(129)	(466)
<b>Disposals:</b>						
Other disposals	-	(24)	(24)	-	-	-
<b>Net book value 30 June 2009</b>	<b>96</b>	<b>483</b>	<b>579</b>	<b>1,502</b>	<b>145</b>	<b>1,647</b>

Net book value as of 30 June 2009 represented by:

Gross book value	265	1,135	1,400	1,839	555	2,394
Accumulated depreciation/amortisation and impairment	(169)	(620)	(823)	(337)	(410)	(747)
<b>Closing Net book value</b>	<b>96</b>	<b>483</b>	<b>579</b>	<b>1,502</b>	<b>145</b>	<b>1,647</b>
<b>Total of all assets</b>	<b>96</b>	<b>483</b>	<b>579</b>	<b>1,502</b>	<b>145</b>	<b>1,647</b>

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

Item	Leasehold improvements \$'000	Infrastructure plant and equipment \$'000	Total Property, Plant and Equipment \$'000	Intangibles - Computer software internally developed \$'000	Intangibles - Computer software purchased \$'000	Total Intangibles \$'000
<b>As at 1 July 2007</b>						
Gross book value	228	241	469	39	204	243
Accumulated depreciation/amortisation and impairment	-	(1)	(1)	(39)	(165)	(204)
<b>Net book value 1 July 2007</b>	<b>228</b>	<b>240</b>	<b>468</b>	<b>-</b>	<b>39</b>	<b>39</b>
<b>Additions:</b>						
By purchase/internally developed	15	845	860	-	329	329
Depreciation/amortisation expense	(99)	(339)	(438)	-	(116)	(116)
<b>Disposals:</b>						
Other disposals	-	(20)	(20)	-	-	-
<b>Net book value 30 June 2008</b>	<b>144</b>	<b>726</b>	<b>870</b>	<b>-</b>	<b>252</b>	<b>252</b>

Net book value as of 30 June 2008 represented by:

Gross book value	243	1,061	1,304	39	533	572
Accumulated depreciation/amortisation and impairment	(99)	(355)	(454)	(39)	(261)	(320)
<b>Closing Net book value</b>	<b>144</b>	<b>726</b>	<b>870</b>	<b>-</b>	<b>252</b>	<b>252</b>
Internally developed software - in progress	-	-	-	1,437	-	1,437
<b>Total of all assets</b>	<b>144</b>	<b>726</b>	<b>870</b>	<b>1,437</b>	<b>252</b>	<b>1,689</b>

**NATIONAL BLOOD AUTHORITY  
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	2009	2008
	\$'000	\$'000
<b>NOTE 6 Non-Financial Assets (cont..)</b>		
<b><u>Note 6E - Other Non-Financial Assets</u></b>		
Prepayments	77	67
<b>Total other non-financial assets</b>	<b>77</b>	<b>67</b>

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

**NOTE 7 Payables**

**Note 7A - Suppliers**

Trade creditors	381	999
<b>Total supplier payables</b>	<b>381</b>	<b>999</b>
Supplier payables - related entities are represented by:		
Current	19	51
Supplier payables - external parties are represented by:		
Current	362	948
<b>Total supplier payables</b>	<b>381</b>	<b>999</b>

Settlement is usually made net 30 days.

**Note 7B - Other Payables**

Salaries and wages	82	55
Unearned revenue from States and Territories	928	1 198
Unearned revenue from outputs	1 276	1 694
Unearned revenue - S31 receipts	-	150
<b>Total Other Payables</b>	<b>2 286</b>	<b>3 097</b>

All other payables are current liabilities.

**NOTE 8 Provisions**

**Note 8 - Employee Provisions**

Leave	1 201	957
<b>Total employee provisions</b>	<b>1 201</b>	<b>957</b>
Employee provisions are represented by:		
Current	970	831
Non-current	231	126
<b>Total employee provisions</b>	<b>1 201</b>	<b>957</b>

The classification of current employee provisions includes amounts for which there is not an unconditional right to defer settlement by one year, hence in the case of employee provisions the above classification does not represent the amount expected to be settled within one year of reporting date. Employee provisions expected to be settled in twelve months from the reporting date are \$875,270 (2008: \$646,203), and in excess of one year \$325,892 (2008: \$310,974).



NATIONAL BLOOD AUTHORITY  
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
 for the year ended 30 June 2009

	2009 \$'000	2008 \$'000
<b>NOTE 9 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	22	63
Balance sheet	22	63
<b>Difference</b>	<u>-</u>	<u>-</u>
<b>Reconciliation of operating result to net cash from operating activities:</b>		
Operating result	105	1 380
Depreciation/amortisation	867	554
Net write-down of non-financial assets	-	-
Adjustment for errors in retained earnings	-	242
Loss on disposal of assets	11	-
Decrease in net receivables	314	15
Decrease/(increase) in non-financial assets	( 10)	89
Increase in employee provisions	244	43
Increase/(decrease) in supplier payables	( 618)	48
(Decrease) in other payables	( 811)	( 649)
<b>Net cash from operating activities</b>	<u>102</u>	<u>1 722</u>

**NATIONAL BLOOD AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**for the year ended 30 June 2009**

**NOTE 10 Contingent Liabilities and Assets**

Quantifiable Contingencies

There were no quantifiable contingent assets or liabilities in this reporting period.

Unquantifiable Contingencies

There were no unquantifiable contingent assets or liabilities in this reporting period.

Remote Contingencies

The Australian Government has indemnified the lessor of the National Blood Authority's premises for negligent acts committed by the National Blood Authority up to the value of \$1,000,000.

**NOTE 11 Senior Executive Remuneration**

	2009	2008
The number of senior executives who received or were due to receive total remuneration of \$130,000 or more:		
\$175 000 to \$189 999	1	3
\$205 000 to \$219 999	2	-
\$220 000 to \$234 999	-	1
\$250 000 to \$264 999	1	-
\$280 000 to \$294 999	-	1
\$310 000 to \$324 999	1	-
	<u>5</u>	<u>5</u>
	\$	\$
The aggregate amount of total remuneration of senior executives shown above.	<u>1 181 679</u>	<u>1 070 842</u>
The aggregate amount of separation and redundancy/termination benefit payments during the year to executives shown above.	<u>-</u>	<u>-</u>

	2009	2008
<b>NOTE 12 Remuneration of Auditors</b>	<b>\$'000</b>	<b>\$'000</b>
Financial statement audit services were provided free of charge to the NBA.		
The fair value of the services provided was	<u>112</u>	<u>114</u>
No other services were provided by the Auditor-General.	<u>112</u>	<u>114</u>

NATIONAL BLOOD AUTHORITY  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30 June 2009

	2009 \$'000	2008 \$'000
<b>NOTE 13 Financial Instruments</b>		
<b><u>NOTE 13A Categories of Financial Instruments</u></b>		
<b>Financial Assets</b>		
Loans and receivables:		
Cash at Bank	22	63
Trade and other receivables	51	366
<b>Carrying amount of financial assets</b>	<u>73</u>	<u>429</u>
<b>Financial Liabilities</b>		
At amortised cost:		
Trade and other creditors	381	999
<b>Carrying amount of financial liabilities</b>	<u>381</u>	<u>999</u>

**Note 13B Fair Value of Financial Instruments**

**Financial assets**

The fair values of all monetary financial assets approximate their carrying amounts.

**Financial liabilities**

The fair values of all monetary financial liabilities approximate their carrying amounts. All financial liabilities are current, therefore a maturity analysis is not required.

**Note 13C Credit Risk**

The NBA is exposed to minimal credit risk as loans and receivables are cash and trade receivables. The maximum exposure to credit risk at reporting date in relation to each class of recognised financial assets is the carrying amount of those assets as indicated in the Balance Sheet

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

**Note 13D Liquidity Risk**

The NBA's financial liabilities are trade and other creditors. The exposure to liquidity risk is based on the notion that the NBA will encounter difficulty in meeting its obligations associated with financial liabilities. This is highly unlikely due to appropriation funding and mechanisms available to the NBA (e.g. Advance to the Finance Minister) and internal policies and procedures put in place to ensure there are appropriate resources to meet its financial obligations.

**Note 13E Market Risk**

The NBA holds basic financial instruments that do not expose it to certain market risks. The NBA is not exposed to 'interest rate risk', 'currency risk' or 'other price risk'.

NATIONAL BLOOD AUTHORITY  
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
 for the year ended 30 June 2009

NOTES TO THE SCHEDULE OF ADMINISTERED ITEMS

	2009	2008
	\$'000	\$'000
<b>NOTE 14</b>		
<b>Income Administered on Behalf of Government</b>		
<b>Revenue</b>		
<b>Non-Taxation Revenue</b>		
Commonwealth contributions	523 807	443 364
State & Territory contributions	303 833	256 232
Other	1 550	-
<b>Total non-taxation revenue</b>	<b>829 190</b>	<b>699 596</b>
<b>NOTE 15</b>		
<b>Expenses Administered on Behalf of Government</b>		
<b>Expenses</b>		
<b>Note 15A: Grants</b>		
Private sector:		
Non-profit organisations	433 385	385 029
The nature of the grants is Deeds for the provision of services relating to blood and blood related products and bleeding disorders and related activities.		
<b>Total grants</b>	<b>433 385</b>	<b>385 029</b>
<b>Note 15B: Suppliers</b>		
Provision of goods - external parties	355 462	340 749
Rendering of services - external parties	1 106	-
<b>Total suppliers</b>	<b>356 568</b>	<b>340 749</b>
<b>Note 15C: Amortisation</b>		
Intangibles		
Computer software	66	-
<b>Total amortisation</b>	<b>66</b>	<b>-</b>
<b>Note 15D: Write-Down and Impairment of Assets</b>		
Asset write-downs and impairments from:		
Impairment on financial instruments	3 037	-
<b>Total write-down and impairment of assets</b>	<b>3 037</b>	<b>-</b>

NATIONAL BLOOD AUTHORITY  
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
 for the year ended 30 June 2009

	2009	2008
	\$'000	\$'000
<b>NOTE 16 Assets Administered on Behalf of Government</b>		
<b>Financial Assets</b>		
<b>Note 16A - Receivables</b>		
Goods and services receivable - external parties	3 270	3 037
Other receivables:		
GST receivable from ATO	9 736	9 498
<b>Total receivables</b>	<b>13 006</b>	<b>12 535</b>
Less impairment allowance account:		
Goods and services	( 3 037)	-
<b>Total receivables (net)</b>	<b>9 969</b>	<b>12 535</b>
<i>Receivables were aged as follows:</i>		
Not overdue	9 969	9 498
Overdue by:		
More than 90 days	3 037	3 037
<b>Total receivables</b>	<b>13 006</b>	<b>12 535</b>
The impairment allowance account is aged as follows:		
Overdue by:		
More than 90 days	( 3 037)	-
<b>Total impairment allowance account</b>	<b>( 3 037)</b>	<b>-</b>
Credit terms are net 30 days from date of invoice (2008: 30 days).		
<b>Reconciliation of the impairment allowance account</b>		
<i>Movements in relation to 2009</i>		
<b>Other Receivables</b>		
Opening balance	-	-
Increase recognised in net surplus	( 3 037)	-
<b>Closing balance</b>	<b>( 3 037)</b>	<b>-</b>
<b>Non-Financial Assets</b>		
<b>Note 16B - Inventories</b>		
National Reserve inventory held for distribution	37 539	28 816
Other inventory held for distribution	27 923	31 548
<b>Total inventories</b>	<b>65 462</b>	<b>60 364</b>
Inventories held for distribution in the current year include a net write-off of damaged and expired stock to the value of \$1,015,214 (2008: \$nil).		
<b>Note 16C - Intangibles</b>		
Computer software internally developed - at cost	564	-
Computer software internally developed - accumulated amortisation	( 66)	-
<b>Computer software internally developed (net)</b>	<b>498</b>	<b>-</b>
Computer software internally developed - in progress	-	296
<b>Total intangibles (non-current)</b>	<b>498</b>	<b>296</b>

NATIONAL BLOOD AUTHORITY  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30 June 2009

**NOTE 16 Assets Administered on Behalf of Government (cont...)**

Note 16C - Intangibles (cont.)

**Table C - Reconciliation of the opening and closing balances of intangibles (2008-09)**

Item	Computer software internally developed
	\$'000
<b>As at 1 July 2008</b>	
Gross book value	-
Accumulated amortisation and impairment	-
<b>Net book value 1 July 2008</b>	-
Additions:	
By purchase or internally developed	564
Depreciation/amortisation expense	( 66)
<b>Net book value 30 June 2009</b>	<b>498</b>
<b>Net book value as of 30 June 2009 represented by:</b>	
Gross book value	564
Accumulated amortisation and impairment	( 66)
<b>Closing Net book value</b>	<b>498</b>
<b>Total of all assets</b>	<b>498</b>

**Table C - Reconciliation of the opening and closing balances of intangibles (2007-08)**

Item	Intangibles - Computer software internally developed
	\$'000
<b>As at 1 July 2007</b>	
Gross book value	-
Accumulated amortisation and impairment	-
<b>Net book value 1 July 2007</b>	-
Additions:	
By purchase/internally developed	-
Depreciation/amortisation expense	-
<b>Net book value 30 June 2008</b>	-
<b>Net book value as of 30 June 2008 represented by:</b>	
Gross book value	-
Accumulated amortisation and impairment	-
<b>Closing Net book value</b>	-
Internally developed software - in progress	296
<b>Total of all assets</b>	<b>296</b>

NATIONAL BLOOD AUTHORITY  
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
 for the year ended 30 June 2009

	2009 \$'000	2008 \$'000
<b>NOTE 16 Assets Administered on Behalf of Government (cont...)</b>		
<b>Note 16D - Other Non-Financial Assets</b>		
Prepayments	12	-
<b>Total other non-financial assets</b>	<b>12</b>	<b>-</b>
<b>NOTE 17 Liabilities Administered on Behalf of Government</b>		
<b>Payables</b>		
<b>Note 17A - Suppliers</b>		
Trade Creditors	36 908	34 518
<b>Total suppliers</b>	<b>36 908</b>	<b>34 518</b>
Supplier payables - external parties are represented by:		
Current	36 908	34 518
<b>Total suppliers</b>	<b>36 908</b>	<b>34 518</b>
<b>Note 17B - Other Payables</b>		
Unearned income - other	-	206
<b>Total other payables</b>	<b>-</b>	<b>206</b>
<b>Total liabilities administered on behalf of Government</b>	<b>36 908</b>	<b>34 724</b>
All liabilities are expected to be settled within 12 months of balance date.		
<b>NOTE 18 Administered Reconciliation Table</b>		
<b>Opening administered assets less administered liabilities as at 1 July</b>	<b>38 471</b>	<b>55 158</b>
Plus Administered income	829 190	699 596
Less Administered expenses (non CAC)	(793 056)	(725 778)
Appropriation transfers from OPA:		
Annual appropriations for administered expenses (non CAC)	10 893	7 606
Special account:		
Transfers from OPA	872 627	775 644
Transfers to OPA	(919 092)	(773 755)
<b>Closing administered assets less administered liabilities as at 30 June</b>	<b>39 033</b>	<b>38 471</b>

**NATIONAL BLOOD AUTHORITY  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30 June 2009**

**NOTE 19 Administered Contingent Liabilities and Assets**

Unquantifiable Administered Contingencies

Under certain conditions the Australian Government and the States/Territories jointly provide indemnity for the ARCBS through a cost sharing arrangement for claims, both current and potential, regarding personal injury and loss of damage suffered by a recipient of certain blood products. The Australian Government's share of any liability is limited to sixty three percent of any agreed net cost.

The Deed of Agreement between the Australian Red Cross Society (ARCS) and the NBA in relation to the operation of the ARCBS includes certain indemnities and a limit of liability in favour of ARCS. These cover a defined set of potential business, product and employee risks and liabilities arising from the operations of ARCBS. The indemnities and limitation of liability only operate in the event of the expiry and non-renewal, or the earlier termination, of the Deed of Agreement, and only within a defined scope. They are also subject to appropriate limitations and conditions including in relation to mitigation, contributory fault, and the process of handling relevant claims.

The Deed of Indemnity between the Australian Red Cross Society (ARCS) and the NBA indemnifies the ARCS in relation to the NSW and ACT Principal Site (NAPS) development funding arrangements. If the NAPS funding arrangements cease, the NBA indemnifies the ARCS in respect of its liability to make on-going NAPS related payments.



NATIONAL BLOOD AUTHORITY  
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
 for the year ended 30 June 2009

	2009 \$'000	2008 \$'000
<b>NOTE 20 Administered Financial Instruments</b>		
<b><u>NOTE 20A Categories of Financial Instruments</u></b>		
<b>Financial Assets</b>		
Loans and receivables:		
Trade and other receivables	9 969	12 535
<b>Carrying amount of financial assets</b>	<b>9 969</b>	<b>12 535</b>
<b>Financial Liabilities</b>		
At amortised cost:		
Trade and other creditors	36 908	34 518
<b>Carrying amount of financial liabilities</b>	<b>36 908</b>	<b>34 518</b>
<b><u>Note 20B Fair Value of Financial Instruments</u></b>		
<b>Financial assets</b>		
The fair values of all monetary financial assets approximate their carrying amounts.		
<b>Financial liabilities</b>		
The fair values of all monetary financial liabilities approximate their carrying amounts.		
<b><u>Note 20C Credit Risk</u></b>		
The NBA is exposed to minimal credit risk as loans and receivables are cash and trade receivables. The maximum exposure to credit risk at reporting date in relation to each class of recognised financial assets is the carrying amount of those assets as indicated in the Balance Sheet		
The NBA has no significant exposures to any concentrations of credit risk.		
<b><u>Note 20D Liquidity Risk</u></b>		
The NBA's financial liabilities are trade and other creditors. The exposure to liquidity risk is based on the notion that the NBA will encounter difficulty in meeting its obligations associated with financial liabilities. This is highly unlikely due to special account funding and internal policies and procedures put in place to ensure there are appropriate resources to meet its financial obligations.		
<b><u>Note 20E Liquidity Risk</u></b>		
The NBA holds basic financial instruments that do not expose it to certain market risks. The NBA is not exposed to 'interest rate risk', 'currency risk' or 'other price risk'.		

NATIONAL BLOOD AUTHORITY  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
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Note 21 Appropriations

Table A - Acquittal of Authority to Draw Cash from the Consolidated Revenue Fund for Ordinary Annual Services Appropriations.

Particulars	Administered Expenses Outcome 1		Departmental Outputs		Total	
	2009	2008	2009	2008	2009	2008
	\$	\$	\$	\$	\$	\$
Balance brought forward from previous period (Appropriation Acts)						
Appropriation Act:						
Appropriation Act (No. 1) 2008-2009 as passed	10 893 000	7 606 000	4 891 000	6 021 000	15 784 000	13 627 000
Appropriation Act (No. 3) 2008-2009 as passed			556 000		556 000	
Appropriation Act (No. 5) 2008-2009 as passed						
Other annual appropriation acts as passed						
Departmental appropriations reduced (Appropriation Act section 10)				28 000		28 000
Administered appropriations reduced (non CAC) (Appropriation Act s 11)						
CAC Act body payment items reduced (Appropriation Act section 12)						
Advance to the Finance Minister (Appropriation Act section 14)						
Advance to the Finance Minister recovered (2007-2008 only)						
Flexible funding pool receipts (Appropriation Act section 15)						
FMA Act:						
Repayments to the Commonwealth (FMA Act section 30)						
Appropriations to take account of recoverable GST (FMA Act section 30A)			532 119	54 487	532 119	54 487
Relevant agency receipts (FMA Act s 31)						
Adjustment of appropriations on change of agency function (FMA Act s 32)			5 979 119	6 047 487	16 872 119	13 653 487
Total appropriation available for payments	10 893 000	7 606 000	5 979 119	6 047 487	16 872 119	13 653 487
Cash payments made during the year (GST inclusive)	10 893 000	7 606 000	5 979 119	6 047 487	16 872 119	13 653 487
Appropriations credited to special accounts (GST exclusive)						
Balance of authority to draw cash from the Consolidated Revenue Fund for ordinary annual services appropriations and as represented by:						
Cash at bank and on hand						
Departmental appropriations receivable						
Undrawn, unexpended administered appropriations						
Adjustments under s 101.13 of the Finance Minister's Orders not reflected above						
Total as at 30 June						
Reduction in administered items:						
Total administered items appropriated						
Less administered items required by the agency per Appropriation Act s 11:						
Appropriation Act (No. 1) 2008-2009						
Appropriation Act (No. 3) 2008-2009						
Appropriation Act (No. 5) 2008-2009						
Other annual appropriation acts						
Total administered items required by the agency						
Total reduction in administered items - effective 2008-2010						

NATIONAL BLOOD AUTHORITY  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
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Note 21 Appropriations

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

Particulars	Non Operating EQUITY		Total	
	2009	2008	2009	2008
	\$	\$	\$	\$
Balance brought forward from previous period (Appropriation Acts)	-	317 136	-	317 136
Appropriation Act:				
Appropriation Act (No. 2) 2008-2009 as passed				
Appropriation Act (No. 4) 2008-2009 as passed				
Appropriation Act (No. 6) 2008-2009 as passed				
Other annual appropriation acts as passed				
Departmental appropriations reduced (Appropriation Act section 13)				
Administered appropriations reduced (non CAC) (Appropriation Act s 12, 13)				
CAC Act body payment items reduced (Appropriation Act section 14)				
Advance to the Finance Minister (Appropriation Act section 15)				
Advance to the Finance Minister recovered (2007-2008 only)				
FMA Act:				
Repayments to the Commonwealth (FMA Act section 30)				
Appropriations to take account of recoverable GST (FMA Act section 30A)				
Adjustment of appropriations on change of agency function (FMA Act s 32)				
<b>Total appropriation available for payments</b>	-	317 136	-	317 136
Cash payments made during the year (GST inclusive)				
Appropriations credited to special accounts (GST exclusive)		317 136		317 136
<b>Balance of authority to draw cash from the Consolidated Revenue Fund for ordinary annual services appropriations and as represented by:</b>	-	-	-	-
Cash at bank and on hand				
Departmental appropriations receivable				
Undrawn, unexpired administered appropriations				
Adjustments under s 101.13 of the Finance Ministers Orders not reflected above				
<b>Total as at 30 June</b>	-	-	-	-
<b>Reduction in administered items:</b>				
Total administered items appropriated				
Less administered items required by the agency per Appropriation Act s 12:				
Appropriation Act (No. 2) 2008-2009				
Appropriation Act (No. 4) 2008-2009				
Appropriation Act (No. 6) 2008-2009				
Other annual appropriation acts				
Total administered items required by the agency				
<b>Total reduction in administered items - effective 2009-2010</b>	-	-	-	-

**NATIONAL BLOOD AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
for the year ended 30 June 2009

	2009	2008
	\$	\$
<b>NOTE 22 Special Accounts</b>		
<b>THE NATIONAL BLOOD ACCOUNT</b>		
<i>Legal Authority: National Blood Authority Act 2003</i>		
<i>Appropriation: Financial Management and Accountability Act 1997 section 21</i>		
<i>Purpose:</i> The National Blood Authority was established on 1 July 2003 with the principal role of managing the national blood arrangements, ensuring sufficient supply and to provide a new focus on the safety and quality of blood and blood products. The funding for blood and blood products is funded from a special account established under the <i>National Blood Authority Act 2003, section 40</i> . The NBA's activities contributing to its outcome are classified as either departmental or administered. Departmental activities involve the use of assets, liabilities, revenues and expenses controlled by the agency in its own right. Administered activities involve the management or oversight by the NBA on behalf of the Government of items controlled or incurred by the Government.		
<b><u>National Blood Account - Departmental</u></b>		
<b>Balance carried from previous period</b>	<b>8 949 037</b>	<b>8 634 860</b>
Appropriations transferred to special account - Appropriation Act (No.1)	4 891 000	5 993 000
Appropriations transferred to special account - Appropriation Act (No.2)	-	317 136
Appropriations transferred to special account - Appropriation Act (No.3)	556 000	-
Other receipts - State and Territory contributions	3 177 203	3 582 202
Other receipts ( <i>FMA Act</i> section 31)	532 119	54 487
GST credits ( <i>FMA Act</i> section 30A)	401 166	462 538
<b>Total credits</b>	<b>18 506 525</b>	<b>19 044 223</b>
Payments made to employees	5 550 668	5 816 339
Payments made to suppliers	4 448 615	4 278 847
<b>Total debits</b>	<b>9 999 283</b>	<b>10 095 186</b>
<b>Balance carried to next period</b>	<b>8 507 242</b>	<b>8 949 037</b>
<b><i>Represented by:</i></b>		
Cash - held by the NBA	22 079	63 400
Cash - transferred to the Official Public Account	8 485 163	8 885 637
<b>Total balance carried to the next period</b>	<b>8 507 242</b>	<b>8 949 037</b>
<b><u>National Blood Account - Administered</u></b>		
<b>Balance carried from previous period</b>	<b>124 585 263</b>	<b>133 740 539</b>
Appropriations transferred to special account	6 978 000	5 276 000
Other receipts - Commonwealth contributions	518 870 890	438 427 887
Other receipts - State and Territory contributions	300 933 937	253 316 104
Other Receipts - External parties	1 244 100	-
GST credits ( <i>FMA Act</i> section 30A)	79 139 102	69 468 506
<b>Total credits</b>	<b>1 031 751 292</b>	<b>900 229 036</b>
Payments made to suppliers	872 480 799	775 643 773
<b>Total debits</b>	<b>872 480 799</b>	<b>775 643 773</b>
<b>Balance carried to next period</b>	<b>159 270 493</b>	<b>124 585 263</b>
<b><i>Represented by:</i></b>		
Cash - transferred to the Official Public Account	159 270 493	124 585 263
<b>Total balance carried to the next period</b>	<b>159 270 493</b>	<b>124 585 263</b>

**NATIONAL BLOOD AUTHORITY**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
for the year ended 30 June 2009

	2009	2008
	\$	\$
<b>NOTE 22 Special Accounts (cont..)</b>		
<b>NATIONAL MANAGED FUND (BLOOD AND BLOOD PRODUCTS)</b>		
<i>Legal Authority: Financial Management and Accountability Act 1997 section 20</i>		
<i>Appropriation: Financial Management and Accountability Act 1997 section 20</i>		
<i>Purpose: For the receipt of monies and payment of all expenditure related to the management of blood and blood products liability claims against the Australian Red Cross Society (ARCS) in relation to the activities undertaken by the operating division of the ARCS known as the Australian Red Cross Blood Service.</i>		
<b><u>National Managed Fund (Blood and Blood Products) - Administered</u></b>		
<b>Balance carried from previous period</b>	<b>51 817 761</b>	41 686 565
Appropriations transferred to special account	3 915 000	2 330 000
Other receipts - Commonwealth contributions	4 936 113	4 936 114
Other receipts - State and Territory contributions	2 898 987	2 915 483
Other receipts - External entities	175 890	175 890
GST credits ( <i>FMA Act section 30A</i> )	( 237)	-
<b>Total credits</b>	<b>63 743 514</b>	52 044 052
Payments made to suppliers	145 832	226 291
<b>Total debits</b>	<b>145 832</b>	226 291
<b>Balance carried to next period</b>	<b>63 597 682</b>	51 817 761
<b>Represented by:</b>		
Cash - transferred to the Official Public Account	63 597 682	51 817 761
<b>Total balance carried to the next period</b>	<b>63 597 682</b>	51 817 761

The NBA has an "Other Trust Moneys - National Blood Authority Special Account". This account was established under section 20 of the *Financial Management and Accountability Act 1997 (FMA Act)*. For the years ended 30 June 2008 - 09, the account had a nil balance and there were no transactions debited or credited to it. The purpose of the Other Trust Moneys - National Blood Authority Special Account is for the expenditure of monies temporarily held on trust for the benefit of a person other than the Commonwealth.

**NATIONAL BLOOD AUTHORITY  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30 June 2009**

**NOTE 23 Compensation and Debt Relief**

**Administered**

No 'Act of Grace' expenses were incurred during the reporting period. (2008: no expenses)

No waivers of amounts owing to the Australian Government were made pursuant to subsection 34 (1) of the *Financial Management and Accountability Act 1997*. (2008: no waivers)

No ex gratia payments were provided during the reporting period. (2008: no payments)

**Departmental**

No payments were made under the Defective Administration Scheme during the reporting period. (2008: no payments)

No payments were made under section 73 of the *Public Service Act 1999* during the reporting period.  
(2008: no payments)

NATIONAL BLOOD AUTHORITY  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30 June 2009

Note 24 Reporting of Outcomes

Note 24A - Net Cost of Outcome Delivery

Particulars	Outcome 1	
	2009 \$'000	2008 \$'000
<b>Expenses</b>		
Administered	793 056	725 778
Departmental	9 749	9 021
<b>Total expenses</b>	<b>802 805</b>	<b>734 799</b>
<b>Costs recovered from provision of goods and services to the non government sector</b>		
Administered	305 383	256 232
Departmental	3 877	4 294
<b>Total costs recovered</b>	<b>309 260</b>	<b>260 526</b>
<b>Net cost/(contribution) of outcome</b>	<b>493 545</b>	<b>474 273</b>

Costs recovered include contributions from State and Territory governments.

The National Blood Authority operates under one outcome and one output. Transactions reported under this output are reported in the Income Statement and the Balance Sheet.

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

Particulars	Output 1	
	2009 \$'000	2008 \$'000
<b>Departmental expenses</b>		
Employees	6 162	5 826
Suppliers	2 709	2 621
Depreciation and amortisation	867	554
Other expenses	11	20
<b>Total departmental expenses</b>	<b>9 749</b>	<b>9 021</b>
<b>Funded by:</b>		
Income from government	5 865	5 993
Sales of goods and services	3 877	4 294
Other non-taxation revenue	112	114
<b>Total departmental income</b>	<b>9 854</b>	<b>10 401</b>

NATIONAL BLOOD AUTHORITY  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30 June 2009

Note 24 Reporting of Outcomes (cont...)

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

Particulars	Outcome 1	
	2009 \$'000	2008 \$'000
<b>Departmental assets</b>		
Cash	22	63
Trade and other receivables	8 536	9 252
Leasehold Improvements	96	144
Infrastructure, plant and equipment	483	726
Intangibles	1 647	1 689
Other non-financial assets	77	67
<b>Total departmental assets</b>	<b>10 861</b>	<b>11 941</b>
<b>Departmental liabilities</b>		
Suppliers	381	999
Other payables	2 286	3 097
Employee provisions	1 201	957
<b>Total departmental liabilities</b>	<b>3 868</b>	<b>5 053</b>

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

Particulars	Outcome 1	
	2009 \$'000	2008 \$'000
<b>Administered expenses</b>		
Grants	433 385	385 029
Suppliers	356 568	340 749
Amortisation	66	-
Write-down and impairment of assets	3 037	-
<b>Total administered expenses</b>	<b>793 056</b>	<b>725 778</b>
<b>Administered income</b>		
Provision of goods - related entities	523 807	443 364
Provision of goods - external parties	303 833	256 232
Other	1 550	-
<b>Total administered income</b>	<b>829 190</b>	<b>699 596</b>
<b>Administered assets</b>		
Receivables	9 969	12 535
Inventories	65 462	60 364
Intangibles	498	296
Other non-financial assets	12	-
<b>Total Administered Assets</b>	<b>75 941</b>	<b>73 195</b>
<b>Administered liabilities</b>		
Suppliers	36 908	34 518
Other payables	-	206
<b>Total Administered liabilities</b>	<b>36 908</b>	<b>34 724</b>



