

Note 47 – Defined benefit superannuation plans

The consolidated entity operates three superannuation plans that provide defined benefit amounts to employees or their dependants upon retirement, resignation or death. The plans provide, in the majority of cases, benefits in the form of a lump sum based on the employee's years of service and final average salary. Contributions to the plans are predominantly based on a percentage of employees' salaries and wages. These defined benefit plans are all closed to new members. All new members receive accumulation benefits only.

The three plans are the SuperSolution Master Trust – AGL Division (SSMT), Equisuper Fund (EF) and Electricity Industry Superannuation Scheme (EISS).

The consolidated entity also contributes to defined contribution superannuation plans for employees, which are also provided by these plans. Contributions made to these defined contribution plans are expensed as incurred.

| | 2011 \$m | 2010 \$m |
|--|-------------|-------------|
| Amounts recognised in the statement of comprehensive income | | |
| Actuarial gain/(loss) incurred during the year and recognised in the statement of comprehensive income | | |
| Actuarial gain/(loss) | 3.6 | (7.8) |
| Tax effect | (1.1) | 2.4 |
| Actuarial gain/(loss), net of tax | 2.5 | (5.4) |
| Cumulative actuarial loss recognised in the statement of comprehensive income | (50.8) | (53.3) |
| Amounts recognised in the income statement | | |
| Current service cost | 4.7 | 4.8 |
| Interest cost | 9.2 | 9.1 |
| Expected return on plan assets | (10.8) | (9.5) |
| Effect of curtailments and settlements | (1.0) | – |
| Expense recognised in the income statement as part of employee benefits expense (Note 8) | 2.1 | 4.4 |
| Actual return on plan assets | 12.5 | 14.6 |
| Amounts included in the statement of financial position | | |
| Fair value of plan assets | 157.6 | 155.7 |
| Present value of defined benefit obligations | (198.2) | (209.1) |
| Net liability – non-current | (40.6) | (53.4) |
| Net liability at beginning of year | (53.4) | (53.3) |
| Expense recognised in the income statement | (2.1) | (4.4) |
| Amount recognised in retained earnings | 3.6 | (7.8) |
| Employer contributions | 11.3 | 12.1 |
| Net liability at end of year | (40.6) | (53.4) |
| Movements in the present value of defined benefit obligations | | |
| Opening defined benefit obligations | 209.1 | 188.8 |
| Current service cost | 4.7 | 4.8 |
| Interest cost | 9.2 | 9.1 |
| Contributions by plan participants | 2.7 | 2.9 |
| Actuarial (gain)/loss | (1.9) | 12.9 |
| Benefits paid | (12.0) | (7.5) |
| Taxes and premiums paid | (1.9) | (1.9) |
| Net transfers in | 0.1 | – |
| Curtailments | (1.0) | – |
| Settlements | (10.8) | – |
| Closing defined benefit obligations | 198.2 | 209.1 |
| Movements in the fair value of plan assets | | |
| Opening fair value of plan assets | 155.7 | 135.5 |
| Expected return on plan assets | 10.8 | 9.5 |
| Actuarial gain | 1.7 | 5.1 |
| Employer contributions | 11.3 | 12.1 |
| Contributions by plan participants | 2.7 | 2.9 |
| Benefits paid | (12.0) | (7.5) |
| Taxes and premiums paid | (1.9) | (1.9) |
| Net transfers in | 0.1 | – |
| Settlements | (10.8) | – |
| Closing fair value of plan assets | 157.6 | 155.7 |