

Notes to the Consolidated Financial Statements

For the year ended 30 June 2019

33. Share-based payment plans (cont.)

ACCOUNTING POLICY

Share-based payments

The fair value of performance rights granted to eligible employees pursuant to the AGL Long-Term Incentive Plan is recognised as an employee benefits expense, with a corresponding increase in the employee equity benefits reserve. The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the performance rights. The fair value at grant date is determined by an independent valuer.

At the end of each reporting period, AGL revises its estimate of the number of performance rights expected to vest. The amount previously recognised as an expense is only adjusted when the performance rights do not vest due to non-market related conditions.

Pursuant to the AGL Share Reward Plan, shares are issued to eligible employees for no consideration and vest immediately on grant date. On this date, the market value of the shares issued is recognised as an employee benefits expense, with a corresponding increase in the employee equity benefits reserve.

34. Related party disclosures

Key management personnel remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of AGL, directly or indirectly, including the Directors of the Parent Entity.

The aggregate remuneration made to key management personnel is set out below:

	2019 \$000	2018 \$000
Short-term employee benefits	9,758	11,552
Post-employment benefits	237	229
Termination benefits	3,313	939
Share-based payments	2,599	2,713
Total remuneration to key management personnel	15,907	15,433

Further details are contained in the Remuneration Report attached to and forming part of the Directors' Report.

Amounts owing by joint ventures and joint operations

ActewAGL Retail Partnership	53,392	63,911
Powering Australian Renewables Fund	151	2,570
North Queensland Energy Joint Venture	188	188

The amount owing is unsecured, interest free and will be settled in cash. No expense has been recognised in the current or the prior period for bad or doubtful debts in respect of the amounts owed by joint ventures.

Amounts owing to joint ventures and joint operations

Powering Australian Renewables Fund	7	-
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The amount owing is unsecured, interest free and will be net settled in cash.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2019

34. Related party disclosures (cont.)

Trading transactions with joint ventures and joint operations

	2019 \$000	2018 \$000
<i>ActewAGL Retail Partnership</i>		
AGL sold gas and electricity to the ActewAGL Retail Partnership on normal commercial terms and conditions.		
Net amounts received	369,024	373,070
<i>Sunverge Energy Inc</i>		
On 4 February 2016, AGL entered into a supply agreement with Sunverge Energy Inc to supply AGL with battery storage units, energy software and support services on normal commercial terms and conditions. This agreement ceased during the year ended 30 June 2018.		
Net amounts paid	-	1,367
<i>Powering Australian Renewables Fund</i>		
AGL has purchased electricity and environmental products from Powering Australian Renewables Fund (PARF) on normal commercial terms and conditions.		
Net amounts received/(paid)	155	(5,593)
AGL received management fees from PARF for overseeing the operation and construction of PARF's generation assets.		
Net amounts received	1,863	3,651
<i>North Queensland Energy Joint Venture</i>		
North Queensland Energy Joint Venture (NQE) pays management fees to AGL as the operator of NQE.		
Net amounts received	750	750

35. Cash and cash equivalents

(a) Reconciliation to cash flow statement

Cash and cash equivalents at the end of the reporting period as shown in the Consolidated Statement of Cash Flows can be reconciled to the related items in the Consolidated Statement of Financial Position as follows:

	2019 \$m	2018 \$m
Cash at bank and on hand	99	163
Short-term deposits	16	300
Total cash and cash equivalents	115	463