



LEGISLATURE-GENERAL

ANNUAL REPORT

YEAR 2019-20

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Presented to both Houses of Parliament pursuant to the provisions  
of the *Financial Management Act 2016*

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# LEGISLATURE-GENERAL

## ANNUAL REPORT

YEAR 2019-20

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## **GENERAL**

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Legislature-General comprises four outputs, which undertake specific functions and deliver various services within Parliament:

The Output structure of the Legislature-General for 2019-20 was:

Output Group 1 - PARLIAMENTARY REPORTING SERVICE

1.1 - Production and Printing of Parliamentary Reports

Output Group 2 - PARLIAMENTARY LIBRARY SERVICES

2.1 - Parliamentary Library

Output Group 3 - PARLIAMENTARY PRINTING & SYSTEMS

3.1 - Printing

3.2 - Systems

Output Group 4 - JOINT SERVICES

4.1 - Buildings and Operations Management

4.2 - Joint Management Services

4.3 - Services to Members

4.4 - Corporate Services for Parliament Agencies

### **Legislature-General management meetings**

The unit managers from Legislature-General meet on a regular basis with the Deputy Clerks to discuss issues and developments. Items for discussion generally include budget and expenditure; capital works; work health and safety; human resources; the internal audit program and procurement. Managers also provide brief updates regarding developments in their areas.

Following changes in work practices due to COVID-19, these meetings were then conducted via Webex with managers either working from home or present in the office.

The Clerk of the House of Assembly and the Clerk of the Legislative Council are joint Heads of Agency.

Structure as at 30 June 2020:

<b>CLERK of the HOUSE OF ASSEMBLY</b> S Donnelly	<b>CLERK of the LEGISLATIVE COUNCIL</b> D Pearce
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<b>JOINT PARLIAMENTARY SERVICES MANAGER</b>	
J Hendy	
ADMINISTRATION	FACILITIES
<i>Administration: M Menzie</i> <i>Administration: A McCarthy</i> <i>Administration: K Duggan</i>	<i>Building &amp; Facilities: B Boon</i> <i>Utilities: G Batchelor</i> <i>Utilities: S Watterson</i>

<b>PARLIAMENTARY LIBRARY</b>	
LIBRARIAN	
Dr M Bacic	
LIBRARY	RESEARCH
<i>Librarian: S Ravanat</i> <i>Librarian: H Richardson</i> <i>Librarian: D Jensen</i> <i>Technician: K King</i> <i>Technician: L Vlecell</i> <i>Clerk: S Knowler</i>	<i>Coordinator: Dr B Stait</i> <i>Research Officer: J McPherson</i> <i>Research Officer: C Hennessy</i> <i>Research Officer: C Ross</i> <i>Research Officer: K Roberts</i>

<b>PARLIAMENTARY REPORTING</b>
EDITOR OF DEBATES H Allmich
<i>Deputy Editor: H Attrill</i> <i>Supervisor of Transcription: J Reynolds</i>

<b>PARLIAMENTARY SYSTEMS</b>
MANAGER P Hancox
<i>Helpdesk Manager: B Hughes</i> <i>Broadcast Manager: B Godfrey</i> <i>ICT Technician: J Hergert</i> <i>ICT Technician: C Machin</i> <i>ICT Technician: A Voss</i> <i>ICT Technician: J Sly</i> <i>ICT Technician: A McIlhenny</i>

<b>PARLIAMENTARY CATERING</b>
MANAGER CATERING SERVICES M Donnelly
<i>Chef: J Glinatsis</i> <i>Assistant Chef: S Hull</i> <i>Assistant Manager: J Kozakiewicz</i> <i>Bistro Manager: J Smallhorn</i> <i>Bistro Attendant: C O'Sullivan</i>

## **HOUSE COMMITTEE**

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HOUSE COMMITTEE as at 30 June 2020

### **Membership**

#### **HOUSE OF ASSEMBLY**

##### **SPEAKER**

Hon. S L Hickey, Chair

Mr. D J O'Byrne

Mr. M D Shelton

#### **LEGISLATIVE COUNCIL**

##### **PRESIDENT**

Hon. C Farrell

Hon. R J Forrest

Hon. L A Hiscutt

The House Committee, comprising three Members of the Legislative Council and three Members of the House of Assembly, under the Standing Orders has the responsibility to regulate and control such matters as:

- the allotment of office and other space within the Parliament building, subject to the approval of the appropriate Presiding Officer;
- repairs, renewals and alterations to Parliament House and its fittings and furniture;
- maintenance and upkeep of the gardens and pavements of the Parliament Reserve; and
- any other matters referred to the Committee by a joint Resolution of both Houses.

The Secretary of the House Committee is a Table Officer from one of the Houses of the Parliament. As at 30 June 2020, Ms Stephanie Hesford, Clerk-Assistant and Sergeant-at-Arms House of Assembly, held the position of Secretary.

## **OUTPUT 1 – PARLIAMENTARY REPORTING SERVICE**

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The Parliamentary Reporting Service (Hansard) provides accurate, apolitical and timely reports of the proceedings of the House of Assembly and the Legislative Council, which form the official record of the parliamentary debates. Hansard also provides transcripts of public and private hearings of parliamentary committees and, if required, parliamentary conferences and other meetings.

The *Hansard* is produced initially as an uncorrected draft for Members. Given the daily deadlines for this initial draft, it is not regarded as final copy. On the day following its initial production as uncorrected copy, the *Hansard* is read closely by staff, with minor corrections identified and transferred to a final copy. These corrections include grammar, punctuation and spelling errors and corrections of names and quoted material. Members then have an opportunity to review their contribution and speeches, and provide corrections and quoted other material within three days in order to finalise the transcript.

Once the required changes are made, the *Hansard* is made publicly available on the parliamentary website.

### **Staffing**

The Hansard unit has three permanent full-time positions - Editor of Debates, Deputy Editor of Debates and Supervisor Transcription Services. Other staff, transcriptionists and subeditors, are casual and are employed on an as-needs basis. A full complement for sittings for both Chambers is 20 casual staff, made up of around 10 transcriptionists, two monitors, six subeditors and two readers.

The current Editor of Debates is Mrs Helen Allmich and the Deputy Editor of Debates is Ms Helene Attrill. Mr James Reynolds is currently the Supervisor Transcription Services.

### **Retirement and Recruitment**

Mrs Pat Blood retired on 30 June 2020 as the Supervisor Transcription Services after 40 years' service to the Parliament of Tasmania. Her service was acknowledged by Members in both Chambers on 25 June 2020.

Mr Reynolds was transferred to Hansard from the House of Assembly in February 2020 to the position of Supervisor Transcription Services on a 12-month secondment. Mr Reynolds has a strong background in research, staff management, and parliamentary and electoral processes.

In February 2020 a recruitment process was undertaken to replace a casual subeditor. This undertaking resulted in the identification of a new subeditor who has a strong background in editing and document production. The Hansard recruitment process was highly successful, enabling the establishment of a merit selection list of strong applicants.

## **Hansard production**

The production of the *Hansard* is a complex undertaking requiring considerable dependence on the skill of transcriptionists and subeditors. These skills encompass a mix of technical and general knowledge, and a better-than-average grasp of parliamentary and political processes. Transcriptionists and subeditors require above-average English grammar and comprehension skills.

Sound is captured from the Chambers or committee rooms using an audio-digital recording program, Liberty Court Recorder. The audio-digital recordings are saved to a server for access by Hansard transcriptionists and subeditors, who select and replay the sound for the purposes of transcribing and editing to provide transcripts for the parliamentary record or committee hearings.

The average time taken to transcribe a five-minute turn from the Chambers or from committees is 20 to 25 minutes, depending on the complexity and difficulty of the material. A subeditor checks this five-minute turn, correcting grammar, punctuation and spelling errors, and checking, where possible, quoted material. The average time for this is around 20 minutes. The work is then reviewed by the Editor of Debates and Deputy Editor of Debates, and moved into a full transcript by the Supervisor Transcription Services.

The draft material is then read and corrected further, with additional material - names, quotes and procedural material - also corrected and transferred. A quick rule of thumb is that every hour of audio in the Chambers and committees equates to three hours of production by Hansard.

In-house analysis has indicated a need for upskilling in the use of Microsoft Word for both transcriptionists and subeditors, together with the production of up-to-date style and parliamentary procedural manuals and training in the use of these new documents. The introduction and use of a cascading style pallet and appropriate short forms have enabled the Supervisor Transcription Services to produce fully navigable PDFs of the *Hansard*. This has also enabled access to the reports by hearing and visually impaired people, which has aligned the online *Hansard* more closely with current federal legal requirements to provide this accessibility functionality.

These changes are aimed at improving efficiencies by reducing error rates and slippages in production time frames. These changes are being introduced slowly and sensitively, and training sessions are planned for staff to enable them to use these innovations with confidence. For the most part feedback has been positive, with some staff taking ownership of the process and suggesting changes.

Given the changed sittings caused by COVID-19, we have not been able to assess the impact of these changes by producing statistical equivalencies with previous parliamentary sittings.

## **Australasian and Pacific Hansard Editors Association Conference**

The Australasian and Pacific Hansard Editors Association (APHEA) is one of the six regional groupings of the Commonwealth Hansard Editors Association. These groupings - Africa, the Asia-Indian Ocean region, Canada, the Australasia-Pacific Ocean region, the Caribbean-South Atlantic region, and Europe - represent 50 parliaments and provide a forum for exchanging advice and information on parliamentary reporting. While CHEA was founded in 1984, parliaments in Canada and Australia have been holding conferences since the 1970s.

APHEA meetings are held every three years, hosted in turn by the Australian and Pacific region parliaments.

The 2020 APHEA conference was hosted by the Parliament of New South Wales in Sydney from 28 to 30 January 2020, and was attended by 31 delegates. The theme of the conference was *Past Reflections, Future Directions*. Delegates represented all state and territory legislatures as well as the Commonwealth of Australia, New Zealand, Cook Islands, Solomon Islands, Tuvalu, Tonga, Vanuatu, the Scottish Parliament, and the House of Commons (United Kingdom). Industry representatives from Redfish Technologies and Quorate Technology also attended the conference.

Delegates provided updates on developments and challenges in their Hansard workplaces since meeting at the APHEA conference hosted by the Parliament of Tasmania in Hobart in 2017, including the updated Benchmarking Survey.

Other papers presented were:

- Automatic Speech Recognition - Quorate, Trint and Speechmatics
- Interpreting in the Chamber for Languages other than English
- Rostering for Chambers and Committees
- Forward Planning - broadcasting, publication, webcasting, captioning, staffing models, work health and safety and meeting user expectations.

The conference, once again, provided delegates with opportunities to discuss issues and seek assistance and advice.



## **Risk management**

Hansard is currently assessing risk management matters such as technological issues, retention of key staff, staff welfare, accommodation and the ongoing challenges associated with the current pandemic. Hansard comprises the largest work unit on sitting days within the parliament and interruption to the work of the unit impacts directly on the services provided to Members through the non-provision of *Hansard*.

## **COVID-19 Pandemic Work arrangements**

With the onset of COVID-19 early in 2020, work arrangements were changed to meet the requirements of social distancing and increased hygiene practices.

Although both Chambers sat for reduced hours and days, in addition to the permanent Hansard staff only one team of transcriptionists and subeditors (five transcriptionists and three subeditors) could be in the Hansard work area at one time. The monitors worked from their stations in the parliamentary Chambers. Question time from both Chambers was given priority and was produced as a live transcript while transcripts of the remainder of each day's sitting were spread out over four days.

Following finalisation of transcripts, which could not be done remotely, permanent Hansard staff worked from home on special projects such as updating reference material and style manuals for both Chamber and committee proceedings, and redesigning templates to facilitate more efficient transcript production.

Joint House and Legislative Council committee hearings in the first half of 2020 were heavily affected by health and safety requirements for COVID-19. By necessity some members and many witnesses appeared remotely via Webex or teleconference. Remotely recorded hearings were produced efficiently and with a high level of accuracy. No significant issues arose when using Hansard equipment, although when witnesses delivered their evidence using mobile telephones, some audio dropouts occurred.

There have been several impacts as a result of COVID-19. Prior to March 2020, Hansard publications were distributed in hard copy. For the remainder of the financial year, Hansard reduced the number of hard-copy Daily Hansards produced for distribution in order to limit possible COVID-19 transmission through surface contact. It is expected that this change will reduce paper consumption and running costs such as ink and toner, and photocopier hire and maintenance into the future.

With the approval of the Clerks, an electronic copy of the Daily Hansard, complete with correction form, is now emailed to Members each day. As at 30 June, this change had received considerable support. In keeping with past practice, Question Time from the House of Assembly is emailed as a separate document as soon as it is available and then a full day's transcript is provided to Members at the end of the day. The transcripts are uploaded gradually throughout the day as per past practice.

As part of this shift from paper-based practices, Hansard also began depositing transcripts of debates of both Chambers with the State Library of Tasmania through the National edeposit service (NED). Legal deposit with Libraries Tasmania is required for print, digital and audio-visual publications, including government publications, in accordance with the Libraries Act 1984. This process has meant that the Parliament of Tasmania can still comply with its

legislative obligations while reducing paper consumption further and ensuring that debate transcripts are preserved digitally into the future.

### **Statistics of Sitting and Committee Hours**

The following is a comparison of sitting hours in each Chamber and for Parliamentary Committees for the financial years 2016-17 to 2019-20:

#### **House of Assembly Sittings - Comparison of Hours:**

2016-17 = 340 hours 23 minutes

2017-18 = 229 hours 54 minutes \*\*Date of Election 3 March 2018

2018-19 = 321 hours 13 minutes \*\*Parliament prorogued to 19 March 2019

2019-20 = 283 hours 02 minutes \*\*Reduced sitting hours due to COVID-19

#### **Legislative Council Sittings - Comparison of Hours:**

2016-17 = 218 hours 37 minutes

2017-18 = 155 hours 19 minutes

2018-19 = 170 hours 39 minutes

2019-20 = 183 hours 5 minutes

#### **Parliamentary Committees - Comparison of Hours**

##### **Joint House -**

2016-17 = 77 hours

2017-18 = 24 hours 30 minutes

2018-19 = 11 hours 45 minutes

2019-20 = 15 hours 45 minutes

##### **House of Assembly -**

2016-17 = 36 hours 15 minutes

2017-18 = nil

2018-19 = 28 hours 45 minutes

2019-20 = 48 hours 30 minutes

## **Legislative Council**

2016-17 = 45 hours

2017-18 = 57 hours

2018-19 = 66 hours 30 minutes

2019-20 = 81 hours 45 minutes

## **Estimates Committee and Government Business Enterprise Committees -**

These figures are provided for the calendar years 2016 to 2019. Due to the COVID-19 pandemic, the scheduled Estimates Committee hearings for June 2020 have been re-scheduled to November 2020.

## **House of Assembly**

2016 = 64 hours 27 minutes

2017 = 69 hours 7 minutes

2018 = 66 hours 23 minutes

2019 = 65 hours 18 minutes

GBE = 13 hours 21 minutes

GBE = 12 hours 4 minutes

GBE = 14 hours 5 minutes

GBE = 14 hours

## **Legislative Council**

2016 = 59 hours 24 minutes

2017 = 59 hours 44 minutes

2018 = 59 hours 2 minutes

2019 = 56 hours 54 minutes

GBE = 13 hours

GBE = 11 hours 54 minutes

GBE = 11 hours 56 minutes

GBE = 13 hours 18 minutes

## **OUTPUT 2.1 – PARLIAMENTARY LIBRARY and RESEARCH SERVICE**

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A joint Library Committee is established by Parliament at the commencement of every session of Parliament, consisting of six members from both Houses. The Deputy Clerk of the House of Assembly assumes the role of Secretary of the Library Committee. On behalf of Parliament and the Library Committee, the Parliamentary Librarian administers relevant policies concerning the Library, the Research Service (with the assistance of the Research Co-ordinator), and the Parliamentary Museum.

The primary purpose of the Library and Research Service is to provide an efficient, effective and integrated information and research service to Members and Officers of the Parliament, by offering: access to growing library collections and electronic resources, research briefings and notes, and specific services designed to assist Members in the performance of their duties. The Library and Research Service provides information and research services within a neutral environment, ensuring confidentiality and timeliness of service delivery.

The current staff of the Parliamentary Library and Research Service includes: the Parliamentary Librarian, Research Co-ordinator, Resources Access and Development Librarian (0.6), Client Services Librarian (0.7), E-Services Librarian (0.58), Library Technicians and Library Clerk (2.4), and Research Officers (4).

### **Library Service**

The Library offers a wide range of services. Some of the general Library services available include: specialised reference services, individualised services for Members, weekly current awareness services, inter-library loans, access to special information sources including electronic resources, information support for committees, library education, and provision of specific resources available on the Internet and Intranet.

Some of the specialised Library services include: media monitoring services and maintenance of historical Parliamentary information resources such as the series of information sheets relating to Tasmanian Parliament, parliamentary procedures and history. Media monitoring activities include the indexing of articles on Tasmanian politics and current affairs included in the Mercury, Advocate, Examiner, Tasmanian Country, the Australian and the Australian Financial Review. In addition to the newspaper content, media releases are added to the fully searchable index which is only available on the Intranet. Access to many online regional newspapers is provided as a separate resource available on the Intranet. Additional media monitoring activities includes the recording of television broadcasts from the ABC, WIN and Southern Cross, in addition to ABC radio broadcasts for the North and South. Transcripts are provided upon request.

The Library Service responded to 672 reference queries during the 2019/20 year and added 25,572 articles to the newspaper clippings index.

### **Research Service**

Within the neutral environment of the Library the Parliamentary Research Service exists to provide Members with written or oral briefings on subjects of interest to them. The scope of this research activity includes: confidential research notes and papers for individuals, Parliamentary Committees research support, and compilation of Statistics. The service also maintains information resources on the Parliament's Intranet and content included in various databases. These databases assist with providing rapid responses to many frequently received requests and enable clients to obtain information at any time on the

Parliament's Intranet. Additionally, the Research Service assists the Library with reference queries and provision of content for inclusion in the Library's current awareness services. The Research Service continues to provide timely responses and detailed analysis to Members of Parliament, their staff and committees of both Houses.

There were 279 research requests received in 2019/20, 245 of these were more complex and time consuming written requests and there were 34 oral briefings. During 2019/20 there was a high level of activity by both the House of Assembly and Legislative Council committees and Joint Standing Committees.

The PRS continues to support the Parliamentary Internship Scheme. The programme allows university students to undertake a research project for a member of the Tasmanian Parliament. During 2019/20 ten students took part in the scheme. There has been a gratifying increase in interest from both Members of Parliament and students in the scheme with more projects being proposed and students applying than can be accommodated.

### **OUTPUT 3.2 – PARLIAMENTARY SYSTEMS**

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During the financial year 2019/20, the Computer and Electronic Services Department undertook a number of key projects and tasks including:

- Relocated the Legislative Council Murchison regional office, including new data network, new security installation and design and video conferencing facility for vacant building located in Wynyard.
- Ongoing implementation of restructured network to incorporate a private IP range including redesign of existing Vlan's. Active Directory migration works to new level. Server virtualisation program replacing physical servers with virtual devices, incorporating a segregated on-line/off-line disaster recovery process. Installed remote management system and upgraded backup systems.
- Completed upgrade of Legislative Council administrative staff computers and software to Microsoft Office Professional 2019.
- Parliamentary Library clipping system upgrade and House of Assembly Content Management system upgrade including training sessions.
- Designed new Television Broadcast System with new equipment which included modulated IP based integration with separate audio system integration. Replaced the existing Television Broadcast equipment with new design. Installed 'On Air' lights for each of the Committee Rooms. Upgraded the chamber broadcast distribution to a HD delivery system. Installed dedicated in-house MATV channels for Committee Room 1 and Committee Room 2. Upgraded control software for the chamber and committee room audio systems including a new pre-broadcast confidence monitoring system for the Chambers and Committee Rooms. Upgraded the committee portable digital audio recording kits.
- Designed and installed a self-serve media room for press releases with integrated broadcast quality camera, lights and audio allowing the media to record or send the media grab to their studio without transporting additional equipment.

- Redesigned the security monitoring room allowing monitoring of additional CCTV feeds for when the Park and underground car park CCTV comes on-line.
- Designed and installed a content filtering system by building onto existing whole of government content filtering to assist in the prevention of cyber-attack.
- Replaced 44 faulty HP X2 laptops with HP x360 laptops including compatible docking stations.
- Increased our remote access capacity and rolled out Hp X2 and X360 laptops with authenticated 4g services, docking stations, screens etc to 40 staff so they could work from home during the COVID-19 pandemic. Setup a COVID-19 visitor management system including QR code registration. Installed and provided training for Cisco WebEx for working remotely and remote committee meetings. Provided remote support for three months to all Parliament staff and members working from home.
- Upgraded Webserver hardware, converted website for HTTP to HTTPS, upgraded existing e-Petitions system and upgraded ISYS to the latest version due to previous compatibility issues the version jump was in excess of 8 revisions. Added additional web publishing points for committee broadcasts.
- Software and database upgrade of the security access control system in conjunction with Parliament Square security access control system. Installed and integrated into Gallagher new security access control measures for Legislative Council main doors, House of Assembly Salamanca doors and carpark drop gate.

## **OUTPUT 4.1 – BUILDING OPERATIONS**

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### **Support for Local Business**

The Legislature-General ensures that Tasmanian businesses are given every opportunity to compete for departmental business.

It is the Parliament of Tasmania’s policy to support Tasmanian businesses whenever they offer best value for the public monies expended.

Contracts with a value greater than \$50,000 (ex GST)

Contractor	Location	Project	Period	Value
TechTel Pty Ltd	NSW	Television Broadcast System	2019-20	\$140k

Consultancy contracts with a value greater than \$50,000 (ex GST)

Contractor	Location	Project	Period	Value
NIL				

## **RISK MANAGEMENT**

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### **Strategic Asset Management Plan**

Parliament House is developing a comprehensive risk management program and risks relating to the building complex are being progressively identified.

Damage to buildings or injury to staff or clients through failure of plant, services or equipment have been addressed through maintenance strategies. Statutory maintenance is now being undertaken by a single contractor responsible for all building elements in the Parliament complex for improved controls and audit.

### **Occupational Health and Safety**

Occupational health and safety is a principal management consideration of Legislature-General, with the provision of equipment, facilities and programs to ensure the safety and well-being of staff. All contractors undergo a formal induction process.

### **Asset Management**

Section 18 of the Legislature-General Finance Manual prescribes the management processes to be followed in relation to the inventory and asset register maintenance.

## **OUTPUT 4.3 – SERVICES TO MEMBERS**

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### **Parliamentary Catering Service**

The Parliamentary Catering Service is designed to provide for the catering needs of Parliament House.

These cover providing meals for Members of Parliament and staff both during sitting and non-sitting periods and official functions hosted by Members of Parliament.

The Service comprises five permanent staff members involved in the operation of the catering needs of Parliament. The permanent staff are supplemented by casual waiting and kitchen help during Parliamentary sitting periods and functions.

There is a dining room for Members, and one for Members guests, and a staff bistro operated by the Service. Functions are also catered for in the reception room and long room.

Despite the long hours worked during sitting periods, and the additional functions and committees requiring catering, the staff provided an efficient service with an extremely high standard of product, produce and customer service.

The results reflect the ongoing hard work and enthusiasm of the staff.

## **JOINT STANDING COMMITTEE ON PUBLIC WORKS**

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### ***Function:***

The Public Works Committee is established pursuant to the provisions of the Public Works Committee Act (No. 32 of 1914). The Committee considers and reports upon every proposed public work where the estimated cost of completing the work exceeds \$15,000,000 for roads and bridges works, or \$8,000,000 for building and construction works.

The Committee has regard to: the stated purpose of the works; the necessity or advisability of carrying it out; the amount of revenue which it may reasonably be expected to produce; and the present and prospective public value of the work.

### ***Members as at 30 June 2020:***

Hon. Rob Valentine MLC (Chair), Mrs Joan Rylah MP (Deputy Chair), Ms Jenna Butler MP, Hon. Jacque Petrusma MP and Hon. Tania Rattray MLC

### ***Staff:***

Secretary: Mr Scott Hennessy

### ***Reports:***

- Major Redevelopment of Devonport High School.
- Major Redevelopment of Sorell School.
- Midland Highway 10-Year Action Plan-Melton Mowbray to Lovely Banks.
- Penguin District School Redevelopment.
- Southern Remand Centre Program.
- Stage 2 King Island Hospital Redevelopment.
- Tasman Highway and Great Eastern Drive Improvements.
- West Tamar Highway Safety Improvements.

### ***Meetings:***

During the reporting period, the Committee met on 13 occasions, such meetings being held in Bicheno, Hobart and Penguin. 4 meetings were held via videoconference due to COVID-19 social distancing measures.



## **JOINT STANDING COMMITTEE ON SUBORDINATE LEGISLATION**

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The Parliamentary Standing Committee on Subordinate Legislation Committee is established under the Subordinate Legislation Act 1969. The Committee is comprised of three Members each from the Legislative Council and the House of Assembly. Ministers and Presiding Officers may not be members. The Committee is supported by a Legislative Council Committee Secretary.

The Committee's functions are set out in section 8 of the Subordinate Legislation Act. Essentially the Committee examines every regulation to ensure it is made in accordance with power of the principal Act and regulation making processes have been complied with, in that certain matters such as the impact of the regulation on personal rights and liberties and the effects on competition and the economy have been considered in the subordinate legislation making process. Regulation is defined to mean, "regulation, rule, or by-law that is made under an Act and is required by law to be laid before both Houses of Parliament, but does not include rules of court made by the judges, or by a majority of them, under the authority of an Act".

This year in addition to the scrutiny of regulations the COVID-19 Disease Emergency (Miscellaneous Provisions) Act 2020 provided that the Subordinate Legislation Committee would be responsible for the scrutiny of notices under that Act as if the notices were regulations. See section 7 of the COVID-19 Disease Emergency (Miscellaneous Provisions) Act 2020.

The Subordinate Legislation Committee tables an annual report setting out membership and activities which is available online.

## **JOINT STANDING COMMITTEE ON INTEGRITY**

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The Joint Parliamentary Standing Committee on Integrity is established under the Integrity Commission Act 2009.

The Committee is comprised of six Members of Parliament, three Members of the House of Assembly and three Members of the Legislative Council. The Committee is supported by a House of Assembly Committee Secretary.

Section 24 of the Integrity Commission Act sets out the functions of the Joint Committee. Essentially the Joint Standing Committee on Integrity monitors and reviews the performance of the integrity entities and reports to both Houses on any matters relevant to an integrity entity. An integrity entity is defined to mean, the Integrity Commission, the Ombudsman, the Auditor-General and the Custodial Inspector. The Committee may refer matters to the Integrity Commission and provide advice and guidance, but it cannot undertake its own investigations into complaints that the Integrity Commission is investigating, review decisions about investigations or inquiries or make recommendations about particular investigations or inquiries.

The Integrity Commission Committee tables an annual report setting out membership and activities which is available online.

## **JOINT STANDING COMMITTEE OF PUBLIC ACCOUNTS**

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The Parliamentary Standing Committee on Public Accounts is established under the *Public Accounts Committee Act 1970* (the Act).

The Committee consists of six Members of Parliament, three are Members of the Legislative Council and three Members of the House of Assembly. The Committee is supported by a Legislative Council Committee Secretary.

Section 6 of the Public Accounts Committee Act sets out the functions of the Public Accounts Committee. Essentially, the Committee's function is to inquire into, consider and report to the Parliament on any matter referred to the Committee by either House relating to the management, administration or use of public sector finances. The Committee may inquire into and report on any matter arising in connection with public sector finances that the Committee considers appropriate.

The Public Accounts Committee tables an annual report setting out membership and activities which is available online.

## **MANAGEMENT AND HUMAN RESOURCES**

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### **Financial**

Parliamentary Services staff provide financial management support for Legislature-General at the direction of the Joint Agency Heads.

### **Staffing**

Staff of Legislature-General are employed pursuant to the provisions of the *Parliamentary Privilege Act 1898* under the conditions of the Legislature-General Staff Industrial Agreement 2009.

### **Staff Establishment**

As at 30 June 2020

Output		FTE Employees			FTE
		Permanent	Part Time	Sessional	
1.1	Parliamentary Reporting Service	3.0		6.2	9.2
2.1	Parliamentary Library	3.0	6.4	0.2	9.6
3.2	Parliamentary Systems	8.0		0.3	8.3
4.1	Building Operations	3.0		0.5	3.5
4.2	Joint Management	1.0	2.2		3.2
4.3	Catering	5.0	0.8	0.8	6.6
<b>Totals:</b>		<b>23.0</b>	<b>9.4</b>	<b>8.0</b>	<b>40.4</b>

### **Staff Separations**

During the course of the year there were two separations.

### **Equal Employment Opportunity**

Legislature-General is an equal opportunity employer. Representation of Legislature-General Staff in EEO target groups can be summarised as follows:-

- 69.30% of staff are women;
- 0.00% of staff are Aboriginal or of Torres Strait Islander descent;
- 0.00% of staff are disabled.

### **Industrial Democracy**

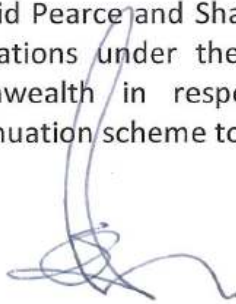
Legislature-General has a co-operative approach to decision making. The size of the department allows for direct and immediate consultation between staff and executive officers. Formal channels of conflict resolution are accessible by staff of Legislature-General.

## Occupational Health and Safety

Occupational health and safety is a principal management consideration of Legislature-General, with the provision of equipment, facilities and programs to ensure the safety and wellbeing of staff.

## Superannuation Declaration

We, David Pearce and Shane Donnelly, hereby certify that the Legislature-General has met its obligations under the Superannuation Guarantee (Administration) Act 1992 of the Commonwealth in respect of any employee who is a member of a complying superannuation scheme to which the Legislature-General contributes.



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S. DONNELLY

Clerk of the House of Assembly



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D. PEARCE

Clerk of the Legislative Council



**LEGISLATURE-GENERAL  
FINANCIAL STATEMENTS  
YEAR ENDED 30 JUNE 2020**

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**Independent Auditor's Report**

**To the Members of Parliament**

**Legislature-General**

**Report on the Audit of the Financial Statements**

**Opinion**

I have audited the financial statements of Legislature-General, which comprise the statement of financial position as at 30 June 2020 and statements of comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, other explanatory notes and the statement of certification by the Clerk of the House of Assembly and the Clerk of the Legislative Council (the Clerks).

In my opinion, the accompanying financial statements:

- (a) present fairly, in all material respects, the Legislature-General's financial position as at 30 June 2020 and its financial performance and its cash flows for the year then ended
- (b) are in accordance with the *Financial Management Act 2016* and Australian Accounting Standards.

**Basis for Opinion**

I conducted the audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Legislature-General in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial statements in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

The *Audit Act 2008* further promotes the independence of the Auditor-General. The Auditor-General is the auditor of all Tasmanian public sector entities and can only be removed by Parliament. The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

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

My audit is not designed to provide assurance on the accuracy and appropriateness of the budget information in the Legislature-General's financial statements.

#### **Responsibilities of the Clerks for the Financial Statements**

The Clerks are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, and the financial reporting requirements of the *Financial Management Act 2016*. This responsibility includes such internal control as determined necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Clerks are responsible for assessing the Legislature-General's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Legislature-General's is to be dissolved by an Act of Parliament, or the Clerks intend to cease operations, or have no realistic alternative but to do so.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Legislature-General's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Clerks.
- Conclude on the appropriateness of the Clerk's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Legislature-General's ability to

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continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusion is based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Legislature-General to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Clerks regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



**Stephen Morrison**  
**Assistant Auditor-General Financial Audit Services**  
**Delegate of the Auditor-General**

**Tasmanian Audit Office**

9 October 2020  
Hobart

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## CERTIFICATION OF FINANCIAL STATEMENTS

The accompanying Financial Statements of Legislature-General are in agreement with the relevant accounts and records and have been prepared in compliance with the Treasurer's Instructions issued under the provisions of the *Financial Management and Audit Act 2016* to present fairly the financial transactions for the year ended 30 June 2020 and the financial position as at the end of the year.

At the date of signing, we are not aware of any circumstances which would render the particulars included in the Financial Statements misleading or inaccurate.



14/08/2020

Shane Donnelly  
Clerk of the House of Assembly  
Accountable Authority



14/08/2020

David Pearce  
Clerk of the Legislative Council  
Accountable Authority

	Notes	2020 Budget \$'000	2020 Actual \$'000	2019 Actual \$'000
<b>Continuing operations</b>				
<b>Income from continuing operations</b>				
Revenue from Government				
Appropriation revenue - operating	3.1	7,371	7,247	6,995
Appropriation revenue - capital	3.1	-	-	1,716
Sales of goods and services	3.2, 2.1(a)	172	274	382
Other revenue	3.3, 2.1(b)	-	68	84
<b>Total revenue from continuing operations</b>		<b>7,543</b>	<b>7,589</b>	<b>9,177</b>
<b>Expenses from continuing operations</b>				
Employee benefits	4.1, 2.1(d)	3,696	4,213	4,101
Depreciation and amortisation	4.2	914	631	583
Cost of goods sold	2.1(c)	-	189	279
Supplies and consumables	4.3	3,302	2,884	2,977
Grants and subsidies	4.4	59	54	53
Other expenses	4.5	94	44	54
<b>Total expenses from continuing operations</b>		<b>8,065</b>	<b>8,015</b>	<b>8,047</b>
<b>Net result from continuing operations</b>		<b>(522)</b>	<b>(426)</b>	<b>1,130</b>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified to net result in subsequent periods</i>				
Change in Asset Revaluation Reserve	8.1	-	3,439	-
<b>Total other comprehensive income</b>		<b>-</b>	<b>3,439</b>	<b>-</b>
<b>Total Comprehensive Result</b>		<b>(522)</b>	<b>3,013</b>	<b>1,130</b>

This Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Budget information refers to original estimates and has not been subject to audit.

Explanations of material variances between budget and actual outcomes are provided in Note 2.1 of the accompanying notes.

**LEGISLATURE-GENERAL STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020**

	Notes	2020 Budget \$'000	2020 Actual \$'000	2019 Actual \$'000
<b>Assets</b>				
<i>Financial assets</i>				
Cash and equivalents	9.1, 2.2(a)	106	101	106
Receivables	5.1, 2.2(b)	120	87	205
<i>Non-financial assets</i>				
Inventories	5.2	37	31	35
Property, plant and equipment	5.3	35,259	40,340	37,191
Other assets	5.4, 2.2(d)	4,399	125	86
<b>Total assets</b>		<b>39,921</b>	<b>40,683</b>	<b>37,623</b>
<b>Liabilities</b>				
Payables	6.1, 2.2(c)	100	138	287
Employee benefits	6.2	1,081	1,154	961
Other liabilities	6.3, 2.2(e)	4,324	21	18
<b>Total liabilities</b>		<b>5,505</b>	<b>1,312</b>	<b>1,266</b>
<b>Net assets</b>		<b>34,416</b>	<b>39,371</b>	<b>36,357</b>
<b>Equity</b>				
Reserves	8.1	27,598	31,037	27,597
Accumulated funds		6,818	8,334	8,759
<b>Total equity</b>		<b>34,416</b>	<b>39,371</b>	<b>36,356</b>

This Statement of Financial Position should be read in conjunction with the accompanying notes.

Budget information refers to original estimates and has not been subject to audit.

Explanations of material variances between budget and actual outcomes are provided in Note 2.2 of the accompanying notes.

	Notes	2020 Budget \$'000	2020 Actual \$'000	2019 Actual \$'000
<b>Cash flows from operating activities</b>		Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
<b>Cash inflows</b>				
Appropriation receipts - operating		7,200	7,247	6,995
Appropriation receipts - capital		171	-	1,716
Sales of goods and services	2.3(a)	172	286	383
GST receipts		364	366	394
Other cash receipts	2.3(b)	-	71	85
<b>Total cash inflows</b>		<b>7,907</b>	<b>7,970</b>	<b>9,572</b>
<b>Cash outflows</b>				
Employee benefits	2.3(c)	(3,328)	(3,666)	(3,833)
Superannuation		(358)	(364)	(371)
GST payments		(364)	(260)	(482)
Supplies and consumables		(3,676)	(2,733)	(2,780)
Other cash payments	2.3(d)	(105)	(611)	(383)
<b>Total cash outflows</b>		<b>(7,831)</b>	<b>(7,634)</b>	<b>(7,849)</b>
<b>Net cash from / (used by) operating activities</b>	9.2	<b>76</b>	<b>336</b>	<b>1,723</b>
<b>Cash flows from investing activities</b>				
<b>Cash outflows</b>				
Payments for acquisition of non-financial assets		(76)	(342)	(1,723)
<b>Total cash outflows</b>		<b>(76)</b>	<b>(342)</b>	<b>(1,723)</b>
<b>Net cash from / (used by) investing activities</b>		<b>(76)</b>	<b>(342)</b>	<b>(1,723)</b>
<b>Net increase / (decrease) in cash and cash equivalents held</b>		-	(5)	-
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b>106</b>	<b>106</b>	<b>106</b>
<b>Cash and cash equivalents at the end of the reporting period</b>	9.1	<b>106</b>	<b>101</b>	<b>106</b>

This Statement of Cash Flows should be read in conjunction with the accompanying notes.

Budget information refers to original estimates and has not been subject to audit.

Explanations of material variances between budget and actual outcomes are provided in Note 2.3 of the accompanying notes.

**LEGISLATURE-GENERAL STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2020**

	Asset Revaluation Reserve \$'000	Accumulated Funds \$'000	Total Equity \$'000
<b>Balance as at 1 July 2019</b>	27,597	8,761	36,358
Net result	3,439	(426)	3,013
Other comprehensive income	-	-	-
<b>Total comprehensive result</b>	<b>3,439</b>	<b>(426)</b>	<b>3,013</b>
<b>Balance as at 30 June 2020</b>	<b>31,036</b>	<b>8,335</b>	<b>39,371</b>

	Asset Revaluation Reserve \$'000	Accumulated Funds \$'000	Total Equity \$'000
<b>Balance as at 1 July 2018</b>	27,597	7,630	35,227
Net result	-	1,130	1,130
Other comprehensive income	-	-	-
<b>Total comprehensive result</b>	<b>-</b>	<b>1,130</b>	<b>1,130</b>
<b>Balance as at 30 June 2019</b>	<b>27,597</b>	<b>8,761</b>	<b>36,357</b>

This Statement of Changes in Equity should be read in conjunction with the accompanying notes.

**NOTE 1: LEGISLATURE-GENERAL OUTPUT SCHEDULES****1.1 Output Group Information**

Budget information refers to original estimates and has not been subject to audit.

**Output Group 1 – Parliamentary Reporting Service**

	2020 Budget \$'000	2020 Actual \$'000	2019 Actual \$'000
<b>Income from continuing operations</b>			
Revenue from appropriation	1,058	793	739
<b>Total income from continuing operations</b>	<b>1,058</b>	<b>793</b>	<b>739</b>
<b>Expenses from continuing operations</b>			
Employee benefits	1,016	845	788
Supplies & consumables	42	33	62
Other expenses	-	-	-
<b>Total expenses from continuing operations</b>	<b>1,058</b>	<b>877</b>	<b>850</b>
<b>Net operating result from continuing operations</b>	-	<b>(84)</b>	<b>(111)</b>
<b>Comprehensive result</b>	-	<b>(84)</b>	<b>(111)</b>
<b>Expense by output</b>			
Production & printing of Parliamentary reports	1,058	877	850
<b>Total</b>	<b>1,058</b>	<b>877</b>	<b>850</b>
<b>Net Assets</b>			
Total assets deployed for Parliamentary reporting service		-	-
Total liabilities incurred for Parliamentary reporting service		<b>(121)</b>	<b>(119)</b>
<b>Net assets (liabilities) deployed for Parliamentary reporting service</b>		<b>(121)</b>	<b>(119)</b>

**Output Group 2 – Parliamentary Library Service**

	2020 Budget \$'000	2020 Actual \$'000	2019 Actual \$'000
<b>Income from continuing operations</b>			
Revenue from appropriation	1,256	1,073	948
<b>Total income from continuing operations</b>	<b>1,256</b>	<b>1,073</b>	<b>948</b>
<b>Expenses from continuing operations</b>			
Employee benefits	1,186	1,098	1,012
Supplies & consumables	70	88	79
Other expenses	-	-	-
<b>Total expenses from continuing operations</b>	<b>1,256</b>	<b>1,186</b>	<b>1,091</b>
<b>Net operating result from continuing operations</b>	<b>-</b>	<b>(113)</b>	<b>(143)</b>
<b>Comprehensive result</b>	<b>-</b>	<b>(113)</b>	<b>(143)</b>
<b>Expense by output</b>			
Parliamentary library service	1,256	1,186	1,091
<b>Total</b>	<b>1,256</b>	<b>1,186</b>	<b>1,091</b>
<b>Net Assets</b>			
Total assets deployed for Parliamentary library service		-	-
Total liabilities incurred for Parliamentary library service		(393)	(335)
<b>Net assets (liabilities) deployed for Parliamentary library service</b>		<b>(393)</b>	<b>(335)</b>

### Output Group 3 – Parliamentary Printing & Systems

	2020 Budget \$'000	2020 Actual \$'000	2019 Actual \$'000
<b>Income from continuing operations</b>			
Revenue from appropriation	1,367	1,320	1,331
Other revenue	-	67	83
<b>Total income from continuing operations</b>	<b>1,367</b>	<b>1,388</b>	<b>1,414</b>
<b>Expenses from continuing operations</b>			
Employee benefits	385	849	809
Supplies & consumables	982	307	448
Depreciation	-	304	274
Other expenses	-	-	-
<b>Total expenses from continuing operations</b>	<b>1,367</b>	<b>1,460</b>	<b>1,531</b>
<b>Net operating result from continuing operations</b>	<b>-</b>	<b>(72)</b>	<b>(117)</b>
<b>Comprehensive result</b>	<b>-</b>	<b>(72)</b>	<b>(117)</b>
<b>Expense by output</b>			
Parliamentary printing	513	112	175
Parliamentary systems	854	1,348	1,356
<b>Total</b>	<b>1,367</b>	<b>1,460</b>	<b>1,531</b>
<b>Net Assets</b>			
Total assets deployed for Parliamentary printing & systems		1,486	37
Total liabilities incurred for Parliamentary printing & systems		(324)	(294)
<b>Net assets (liabilities) deployed for Parliamentary printing &amp; systems</b>		<b>1,162</b>	<b>(257)</b>



## Output Group 4 – Joint Services

	2020 Budget \$'000	2020 Actual \$'000	2019 Actual \$'000
<b>Income from continuing operations</b>			
Revenue from appropriation	3,862	4,061	5,693
Other revenue	-	275	384
<b>Total income from continuing operations</b>	<b>3,862</b>	<b>4,335</b>	<b>6,077</b>
<b>Expenses from continuing operations</b>			
Employee benefits	1,147	1,389	1,436
Grant & transfer payments	59	54	53
Supplies & consumables	2,110	2,487	2,444
Cost of goods sold	139	189	279
Depreciation	914	327	309
Other expenses	15	44	54
<b>Total expenses from continuing operations</b>	<b>4,384</b>	<b>4,490</b>	<b>4,576</b>
<b>Net operating result from continuing operations</b>	<b>(522)</b>	<b>(155)</b>	<b>1,501</b>
<b>Comprehensive result</b>	<b>(522)</b>	<b>(155)</b>	<b>1,501</b>
<b>Expense by output</b>			
Buildings & operations management	2,409	2,456	2,299
Joint management services	937	960	995
Services to members	929	976	1,174
Corporate services for Parliamentary agencies	109	99	107
<b>Total</b>	<b>4,384</b>	<b>4,490</b>	<b>4,576</b>
<b>Net Assets</b>			
Total assets deployed for Joint Services		38,941	37,359
Total liabilities incurred for Joint Services		(316)	(212)
<b>Net assets (liabilities) deployed for Joint Services</b>		<b>38,625</b>	<b>37,147</b>

### 1.2 Reconciliation of Total Output Groups Comprehensive Result to Statement of Comprehensive Income

	2020	2020	2019
	Budget	Actual	Actual
	\$'000	\$'000	\$'000
Net result from transactions (net operating balance)	(522)	(426)	1,131
<b>Reconciliation to comprehensive result</b>			
Expenditure from appropriation revenue (capital) transferred to assets	-	-	-
<b>Other economic flows - Other Non Owner Changes in Equity</b>			
Change in Physical Asset Revaluation Reserve	-	3,439	-
<b>Comprehensive result</b>	<b>(522)</b>	<b>3,013</b>	<b>1,130</b>

### 1.3 Reconciliation of Total Output Groups Net Assets to Statement of Financial Position

	2020	2019
	Actual	Actual
	\$'000	\$'000
Total net assets deployed for Output Groups	39,273	36,436
<b>Reconciliation to net assets</b>		
Assets unallocated to Output Groups	257	228
Liabilities unallocated to Output Groups	(159)	(307)
<b>Net assets</b>	<b>39,371</b>	<b>36,357</b>

**NOTE 2: EXPLANATIONS OF MATERIAL VARIANCES BETWEEN BUDGET AND ACTUAL OUTCOMES**

Budget information refers to original estimates as disclosed in the 2019-20 Budget Papers and is not subject to audit.

Variations are considered material where the variance exceeds the greater of 10 per cent of Budget estimate and \$10,000.

**2.1 Statement of Comprehensive Income**

		2020	2020	2019	Budget	Actual
	Note	Budget	Actual	Actual	Variance	Variance
		\$'000	\$'000	\$'000	\$'000	\$'000
Sales of goods and services	(a)	172	274	382	102	(108)
Other revenue	(b)	-	68	84	68	(17)
Cost of goods sold	(c)	-	189	279	(189)	(90)
Employee benefits	(d)	3,696	4,213	4,101	(517)	(112)

**Notes to Statement of Comprehensive Income variances**

(a) & (c) Sales of goods and services and cost of goods sold figures are budgeted for on a net basis, but the actuals are recorded on a gross basis.

(b) Other revenue represents miscellaneous cost recoveries. They are not a regular source of income and are not included as a budget item.

(d) Employee benefits are higher due to additional FTE's being transferred from The House of Assembly and Legislative Council.

## 2.2 Statement of Financial Position

Budget estimates for the 2019-20 Statement of Financial Position were compiled prior to the completion of the actual outcomes for 2018-19. As a result, the actual variance from the Original Budget estimate will be impacted by the difference between estimated and actual opening balances for 2018-19. The following variance analysis therefore includes major movements between the 30 June 2019 and 30 June 2020 actual balances.

	Note	2020 Budget \$'000	2020 Actual \$'000	2019 Actual \$'000	Budget Variance \$'000	Actual Variance \$'000
Cash and equivalents	(a)	106	101	106	(5)	(5)
Receivables	(b)	120	87	205	(33)	(118)
Payables	(c)	100	138	287	(38)	(149)
Other assets	(d)	4,399	125	86	4,274	38
Other liabilities	(e)	4,324	21	18	4,303	3

### Notes to Statement of Financial Position variances

(a) Cash and deposits are lower than budget due to other variances in the Statement of Comprehensive Income and Statement of Financial Position. Please refer to Statement of Cash Flows for further information.

(b) Receivables have decreased due to timing of payment's this financial year. GST owed to Legislature-General has decreased by \$106k this financial year due to the lower levels of capital expenditure in June compared to last year.

(c) Payables have decreased due to less having to be taken up as creditors due to the timing and approvals of additional funds.

(d) & (e) The variance between 2020 Budget and Actual outcome is due to an alternative recognition methodology for major accommodation and motor vehicle fleet. At the time of the 2020 Budget in May 2019, the recognition criteria for major office accommodation and motor vehicle fleet was under development, and Budget estimates were based on the best available information at that time. AASB 16 Leases commenced on 1 July 2019, and recognition methodology for major office accommodation and motor vehicle fleet has been finalised on an alternative basis for the year ended 30 June 2020.

## 2.3 Statement of Cash Flows

	Note	2020 Budget \$'000	2020 Actual \$'000	Budget Variance \$'000	Actual Variance %
Sales of goods and services	(a)	172	286	114	66%
Other cash receipts	(b)	-	71	71	100%
Employee Benefits	(c)	(3,328)	(3,666)	(338)	10%
Other cash payments	(d)	(105)	(611)	(506)	482%

### Notes to Statement of Cash Flows variances

(a) Increases in sales of goods and services reflects a higher level of activity in the Parliament dining room than estimated.

(b) Other cash receipts includes miscellaneous cost recoveries and are not a regular source of income and hence not included as a budget item.

(c) Employee benefits are higher due to additional FTE's being transferred from The House of Assembly and Legislative Council.

(d) Other cash payments are higher than previous years due to a decrease in accounts payable at the end of the financial year.

### NOTE 3: REVENUE

Income is recognised in the Statement of Comprehensive Income when an increase in future economic benefits related to an increase in an asset or a decrease of a liability has arisen that can be measured reliably.

Until 30 June 2019, income is recognised in accordance with AASB 111 Construction Contracts, AASB 118 Revenue and AASB 1004 Contributions.

From 1 July 2019, income is recognised in accordance with the requirements of AASB 15 Revenue from Contracts with Customers or AASB 1058 Income of Not-for-Profit Entities, dependent on whether there is a contract with a customer defined by AASB 15.

#### 3.1 Revenue from Government

Appropriations, whether operating or capital, are recognised as revenues in the period in which the Department gains control of the appropriated funds. Except for any amounts identified as carried forward, control arises in the period of appropriation.

Revenue from Government included revenue from appropriations, appropriations carried forward under section 8A(2) of the Public Account Act 1986 and Items Reserved by Law.

As a result of the commencement of the Financial Management Act, from 2020-21 Revenue from Government will include revenue from appropriations, unexpended appropriations rolled over under section 23 of the Financial Management Act 2016 and Items Reserved by Law.

Section 23 of the Financial Management Act allows for an unexpended appropriation at the end of the financial year, as determined by the Treasurer, to be issued and applied from the Public Account in the following financial year. The amount determined by the Treasurer must not exceed five per cent of an Agency's appropriation for the financial year. Rollover of unexpended appropriations under section 23 will be disclosed under the Financial Management Act for the first time in 2020-21.

	2020 Budget \$'000	2020 Actual \$'000	2019 Actual \$'000
<b>Continuing operations</b>			
Appropriation revenue - operating	7,371	7,247	6,995
Appropriation revenue - capital	-	-	1,716
<b>Total</b>	<b>7,371</b>	<b>7,247</b>	<b>8,711</b>
<b>Total revenue from Government from continuing operations</b>	<b>7,371</b>	<b>7,247</b>	<b>8,711</b>

#### 3.2 Sales of goods and services

Amounts earned in exchange for the provision of goods are recognised when the significant risks and rewards of ownership have been transferred to the buyer. Revenue from the provision of services is recognised in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to surveys of work performed.

	2020 \$'000	2019 \$'000
Sales of goods by Parliamentary dining room	274	382
<b>Total</b>	<b>274</b>	<b>382</b>

### 3.3 Other revenue

Other revenues include miscellaneous cost recoveries. Proceeds from these sources are recognised as revenues as they are controlled by Legislature-General. They are not required to be paid into the Consolidated Fund.

	2020	2019
	\$'000	\$'000
Miscellaneous cost recoveries	68	84
<b>Total</b>	<b>68</b>	<b>84</b>

## NOTE 4: EXPENSES

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.

### 4.1 Employee benefits

#### (a) Employee expenses

Employee benefits include, where applicable, entitlements to wages and salaries, annual leave, sick leave, long service leave, superannuation and any other post-employment benefits.

	2020	2019
	\$'000	\$'000
Wages and salaries	3,354	3,352
Annual leave	165	144
Long service leave	221	116
Superannuation - defined contribution scheme	290	281
Superannuation - defined benefit scheme	69	83
Other employee expenses	114	125
<b>Total</b>	<b>4,213</b>	<b>4,101</b>

Superannuation expenses relating to defined benefit schemes relate to payments into the Public Account. The amount of the payment is based on a department contribution rate determined by the Treasurer, on the advice of the State Actuary. The current department contribution is 12.95 per cent (2019: 12.95 per cent) of salary.

Superannuation expenses relating to defined contribution schemes are paid directly to superannuation funds at a rate of 9.5 per cent (2019: 9.5 per cent) of salary. In addition, departments are also required to pay into the Public Account a "gap" payment equivalent to 3.45 per cent (2019: 3.45 per cent) of salary in respect of employees who are members of contribution schemes.

#### (b) Key Management Personnel

Key Management Personnel services are provided by the Clerk of the House of Assembly and the Clerk of the Legislative Council. The remuneration for these personnel is paid by the relevant entities House of Assembly and Legislative Council with the disclosure of their remuneration being reflected in their financial statements.

#### (c) Related party transactions

There are no significant related party transactions requiring disclosure.

## 4.2 Depreciation

All applicable Non-financial assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of their service potential. Land, being an asset with an unlimited useful life, is not depreciated.

Depreciation is provided for on a straight line basis, using rates which are reviewed annually.

Land and heritage and cultural assets are not depreciated.

Major depreciation periods are:

- Land not depreciated
- Heritage and cultural assets not depreciated
- Buildings 100 years
- Furniture and Fittings 5 years
- Plant and equipment
  - Computer Equipment 3 years
  - Security Equipment 10 years
  - Other plant and Equipment 10 years

### (a) Depreciation

	2020	2019
	\$'000	\$'000
Buildings	300	300
Plant & equipment	331	283
<b>Total</b>	<b>631</b>	<b>583</b>

## 4.3 Supplies and consumables

	2020	2019
	\$'000	\$'000
Accommodation related expense	1,527	1,475
Rental paid to government	393	375
Communications	99	135
Audit fees - financial audit	23	22
Audit fees - internal audit	55	47
Equipment maintenance & replacements	234	320
Printing & supplies	240	363
Special project	67	45
Other supplies and consumables	245	194
<b>Total</b>	<b>2,884</b>	<b>2,977</b>

Audit fees paid or payable to the Tasmanian Audit Office for the audit of the Department's financial statements were \$23,000 (2018-19, \$22,000).



#### 4.4 Grants and subsidies

Grant and subsidies expenditure is recognised to the extent that:

- \* the services required to be performed by the grantee have been performed; or
- \* the grant eligibility criteria have been satisfied.

A liability is recorded when Legislature-General has a binding agreement to make the grants but services have not been performed or criteria satisfied. Where grant monies are paid in advance of performance or eligibility, a prepayment is recognised.

	2020	2019
	\$'000	\$'000
Commonwealth Parliamentary Association - London Subsidy	15	14
Commonwealth Parliamentary Association - Tasmania Branch Subsidy	39	39
<b>Total</b>	<b>54</b>	<b>53</b>

#### 4.5 Other expenses

	2020	2019
	\$'000	\$'000
Workers compensation insurance	44	54
<b>Total</b>	<b>44</b>	<b>54</b>

#### 4.6 Supplies, Consumables & Other Expenses compared to sitting days & FTE

	2020	2019
	\$'000	\$'000
Supplies, Consumables & Other Expenses	2,929	3,030
Sitting Days	62 days	67 days
Cost per Sitting Day	47	45
Full Time Effective Staff	40 FTE	41 FTE
Cost per Full Time Effective Staff	73	74

#### 4.7 Total Expenses compared to sitting days & FTE

	2020	2019
	\$'000	\$'000
Total Expenses	8,015	8,047
Sitting Days	62 days	67 days
Cost per Sitting Day	129	120
Full Time Effective Staff	40 FTE	41 FTE
Cost per Full Time Effective Staff	200	196

## NOTE 5: ASSETS

Assets are recognised in the Statement of Financial Position when it is probable that the future economic benefits will flow to Legislature-General and the asset has a cost or value that can be measured reliably.

### 5.1 Receivables

Receivables are initially recognised at fair value plus any directly attributable transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price.

Receivables are held with the objective to collect the contractual cash flows and are subsequently measured at amortised cost using the effective interest method. Any subsequent changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process. An allowance for expected credit losses is recognised for all debt financial assets not held at fair value through profit and loss. The expected credit loss is based on the difference between the contractual cash flows and the cash flows that the entity expects to receive, discounted at the original effective interest rate.

For trade receivables, a simplified approach in calculating expected credit losses is applied, with a loss allowance based on lifetime expected credit losses recognised at each reporting date. The Department has established a provision matrix based on its historical credit loss experience for trade receivables, adjusted for forward-looking factors specific to the receivable.

	2020	2019
	\$'000	\$'000
Receivables	35	46
Less: Expected credit loss	(1)	(1)
<b>Total</b>	<b>34</b>	<b>45</b>
Other receivables	54	160
<b>Total</b>	<b>53</b>	<b>159</b>
<b>Total</b>	<b>87</b>	<b>205</b>
Settled within 12 months	87	205
Settled in more than 12 months	-	-
<b>Total</b>	<b>87</b>	<b>205</b>

	2020	2019
Reconciliation of movement in expected credit loss for receivables	\$'000	\$'000
<b>Carrying amount at 1 July</b>	<b>(1)</b>	<b>(1)</b>
Amounts written off during the year	-	-
Amounts recovered during the year	-	-
Increase/(decrease) in provision recognised in profit or loss	-	-
<b>Carrying amount at 30 June</b>	<b>(1)</b>	<b>(1)</b>

## 5.2 Inventories

Inventories held for distribution are valued at cost adjusted, when applicable, for any loss of service potential.

Inventories acquired for no cost or nominal consideration are valued at current replacement cost.

Inventories are measured using the lower of cost or net realisable value, which ever is the lower using the first in first out method of valuation.

	2020	2019
	\$'000	\$'000
Stock on hand - Dining Room	24	27
Stock on hand - Bistro	7	8
<b>Total</b>	<b>31</b>	<b>35</b>
Utilised within 12 months	31	35
Utilised in more than 12 months	-	-
<b>Total</b>	<b>31</b>	<b>35</b>

## 5.3 Property, plant & equipment

### **(i) Valuation basis**

Land, buildings, heritage and cultural assets are recorded at fair value less accumulated depreciation. All other Non-current physical assets, including work in progress, are recorded at historic cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The costs of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Fair value is based on the highest and best use of the asset. Unless there is an explicit Government policy to the contrary, the highest and best use of an asset is the current purpose for which the asset is being used or build occupied.

### **(ii) Subsequent costs**

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to Legislature-General and its costs can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of day-to-day servicing of property, plant and equipment are recognised in surplus or deficit as incurred.

### **(iii) Asset recognition threshold**

The asset capitalisation threshold adopted by the Legislature-General is \$5,000. Assets valued at less than \$5,000 are charged to the Statement of Comprehensive Income in the year of purchase (other than where they form part of a group of similar items which are material in total).

### **(iv) Revaluations**

Legislature-General's land and buildings are revalued on a 5 yearly basis. Land and buildings were revalued as at 30 June 2018 by the Office of The Valuer-General. The revaluation was based on fair value in accordance with AASB 116 Property, Plant & Equipment and AASB 13 Fair Value Measurement. The market movement in the value of land, excluding residential land, in Hobart between 30 June 2018 and 30 June 2020 has shown an increase of 16% and as such the Valuer-General has applied this indice to the previous valuation in 2018.

Legislature-General's heritage and cultural assets are revalued on a 5 yearly basis. Antique furniture was revalued as at 30 June 2020 and was independently conducted. The valuer was Mr A F Colman. The revaluation was based on fair value in accordance with AASB 13 Fair Value Measurement.

Artworks and artifacts were revalued as at 30 June 2020 and were independently conducted. Artworks were valued by Mr W N Hurst (Director, Masterpiece Gallery). The revaluation was based on fair value in accordance with AASB 13 Fair Value Measurement.

Assets are grouped on the basis of having a similar nature or function in the operations of Legislature-General.

**(a) carrying amount**

	2020	2019
	\$'000	\$'000
<b>Land</b>		
At fair value (30 June 2020)*	5,800	5,000
<b>Total</b>	<b>5,800</b>	<b>5,000</b>
<b>Buildings</b>		
At fair value (30 June 2020)*	32,700	30,000
Less: Accumulated depreciation	(600)	(300)
<b>Total</b>	<b>32,100</b>	<b>29,700</b>
<b>Plant and equipment</b>		
At cost	5,949	4,509
Less: Accumulated depreciation	(4,345)	(4,018)
<b>Total</b>	<b>1,604</b>	<b>491</b>
<b>Furniture and fittings</b>		
At cost	228	228
Less: Accumulated depreciation	(226)	(222)
<b>Total</b>	<b>2</b>	<b>6</b>
<b>Heritage and cultural assets</b>		
Antique Furniture at fair value (30 June 2020)**	145	214
Artworks and Artifacts at fair value (30 June 2020)***	347	338
<b>Total</b>	<b>491</b>	<b>552</b>
<b>Work in Progress</b>		
Plant and Equipment work in progress (at cost)	343	1,443
<b>Total</b>	<b>343</b>	<b>1,443</b>
<b>Total property, plant and equipment</b>	<b>40,340</b>	<b>37,191</b>

\* Legislature-General's land and buildings are revalued on a 5 yearly basis. Land and buildings were revalued as at 30 June 2018 by the Office of The Valuer-General. The revaluation was based on fair value in accordance with AASB 116 Property, Plant & Equipment and AASB 13 Fair Value Measurement. The market movement in the value of land, excluding residential land, in Hobart between 30 June 2018 and 30 June 2020 has shown an increase of 16% and as such the Valuer-General has applied this indice to the previous valuation in 2018.

\*\* The latest revaluations as at 30 June 2020 were independently conducted. The valuer was Mr A F Colman. The revaluation was based on fair value replacement cost.

\*\*\* The latest revaluations as at 30 June 2020 were independently conducted. Artworks were valued in June 2020 by Mr W N Hurst (Director, Masterpiece Gallery). Revaluations were based on fair value replacement cost.

**NOTE 5: ASSETS (cont)****(b) reconciliation of movements (including fair value levels)**

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current and previous financial year are set out below. Carrying value means the net amount after deducting accumulated depreciation.

2020	Heritage and						
	Land	Buildings	Plant and	Furniture and	cultural	WIP	Total
	Level 3	Level 3	equipment	fittings	assets		
	\$'000	\$'000	\$'000	\$'000	Level 3	\$'000	\$'000
<b>Carrying value at 1 July 2019</b>	<b>5,000</b>	<b>29,700</b>	<b>489</b>	<b>7</b>	<b>552</b>	<b>1,443</b>	<b>37,192</b>
Additions	-	-	150	-	-	191	341
Transfers to/(from) WIP	-	-	1,291			(1,291)	-
<i>Gains/losses recognised in other comprehensive income</i>							
Revaluation increments (decrements)	800	2,700	-	-	(61)	-	3,439
Depreciation and amortisation	-	(300)	(326)	(5)	-	-	(631)
<b>Carrying value at 30 June 2020</b>	<b>5,800</b>	<b>32,100</b>	<b>1,605</b>	<b>2</b>	<b>491</b>	<b>343</b>	<b>40,341</b>
<hr/>							
2019	Heritage and						
	Land	Buildings	Plant and	Furniture and	cultural	WIP	Total
	Level 3	Level 3	equipment	fittings	assets		
	\$'000	\$'000	\$'000	\$'000	Level 3	\$'000	\$'000
<b>Carrying value at 1 July 2018</b>	<b>5,000</b>	<b>30,000</b>	<b>483</b>	<b>16</b>	<b>552</b>	<b>-</b>	<b>36,051</b>
Additions	-	-	281	-	-	1,443	1,724
<i>Gains/losses recognised in operating result</i>							
Revaluation increments (decrements)	-	-	-	-	-	-	-
Depreciation and amortisation	-	(300)	(275)	(9)	-	-	(583)
<b>Carrying value at 30 June 2019</b>	<b>5,000</b>	<b>29,700</b>	<b>489</b>	<b>7</b>	<b>552</b>	<b>1,443</b>	<b>37,192</b>

**(c) Level 3 significant valuation inputs and relationship to fair value**

Description	Fair value at 30 June \$'000	Significant unobservable inputs used in valuation	Possible alternative values for level 3	Sensitivity of fair value to changes in level 3 inputs
Land	5,800	(a) Limited use of asset	Note 1	Despite low interest rates demand for property remained weak due to a poor economic environment and apparent lack of investor confidence. As a result it is unlikely that significant variations in values will arise in the short term.
Buildings	32,100	(a) Construction costs (b) Economic conditions (c) Remaining useful life	Note 1	Building activity has been subdued during 2019-20. Construction costs during this time indicate a nil increase. Despite low interest rates demand for property remained weak due to a poor economic environment and apparent lack of investor confidence. As a result it is unlikely that significant variations in values will arise in the short term.
Heritage and cultural assets	491	(a) Rarity of asset (b) Age of asset (c) Condition of asset	Note 2	

Note 1: When valuing these assets, their existing use and unlikely alternative uses, are taken into account by valuers. As a result, it is most unlikely that alternative values will arise unless there are more changes in known inputs.

Note 2: Valuing Heritage and Cultural assets is an inexact science and it is not likely that alternative values or applying other inputs would result in a materially different value.

**(d) Assets where current use is not the highest and best use**

Legislature-General holds land and buildings that is used specifically for the Tasmanian Parliament. Unless there is an explicit Government policy to the contrary, the highest and best use of an asset is the purpose for which that asset is currently being used. Legislature-General considers that the highest and best use for that asset is for the Tasmanian Parliament.



**NOTE 5: ASSETS (cont)****5.4 Other assets****(a) Carrying amount**

	2020	2019
	\$'000	\$'000
<b>Other current assets</b>		
Prepayments	125	86
<b>Total</b>	<b>125</b>	<b>86</b>
Utilised within 12 months	125	86
<b>Total</b>	<b>125</b>	<b>86</b>

## NOTE 6: LIABILITIES

Liabilities are recognised in the Statement of Financial Position when it is probable that an outflow of resources embodying economic benefits will result from the settlement of a present obligation and the amount at which the settlement will take place can be measured reliably.

### 6.1 Payables

Payables, including goods received and services incurred but not yet invoiced, are recognised when Legislature-General becomes obliged to make future payments as a result of a purchase of assets or services.

	2020	2019
	\$'000	\$'000
Creditors	92	113
Accrued expenses	46	174
<b>Total</b>	<b>138</b>	<b>287</b>
Settled within 12 months	138	287
Settled in more than 12 months	0	0
<b>Total</b>	<b>138</b>	<b>287</b>

### 6.2 Employee benefits

#### (a) Employee Benefits

Liabilities for wages and salaries and annual leave are recognised when an employee becomes entitled to receive a benefit. Those liabilities expected to be realised within 12 months are measured as the amount expected to be paid. Other employee entitlements are measured as the present value of the benefit at 30 June, where the impact of discounting is material, and at the amount expected to be paid if discounting is not material.

A liability for long service leave is recognised, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

**(b) Superannuation****Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an expense when they fall due.

**Defined benefit plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

Legislature-General does not recognise a liability for the accruing superannuation benefits of employees. This liability is held centrally and recognised within the Finance-General Division of the Department of Treasury and Finance.

	2020	2019
	\$'000	\$'000
Accrued salaries	73	29
Annual leave	403	361
Long service leave	557	471
Superannuation	119	100
<b>Total</b>	<b>1,154</b>	<b>961</b>
Settled within 12 months	631	506
Settled in more than 12 months	521	455
<b>Total</b>	<b>1,154</b>	<b>961</b>

**6.3 Other liabilities**

	2020	2019
	\$'000	\$'000
<b>Other Liabilities</b>		
Employee Benefits - On-Costs	21	18
<b>Total</b>	<b>21</b>	<b>18</b>
Settled within 12 months	12	10
Settled in more than 12 months	9	8
<b>Total</b>	<b>22</b>	<b>18</b>

**NOTE 7: COMMITMENTS AND CONTINGENCIES****7.1 Schedule of Commitments**

	2020	2019
	\$'002	\$'001
<b>By type</b>		
<i>Lease Commitments</i>		
Operating leases - Photocopiers	14	26
<b>Total</b>	<b>14</b>	<b>26</b>
<i>Other Commitments</i>		
Property Costs	598	802
<b>Total</b>	<b>598</b>	<b>802</b>
<b>Total Commitments</b>	<b>612</b>	<b>828</b>
<b>By Maturity</b>		
<i>Operating lease commitments</i>		
One year or less	11	11
From one to five years	3	15
More than five years	-	-
<b>Total</b>	<b>14</b>	<b>26</b>
<i>Other Commitments</i>		
One year or less	250	251
From one to five years	348	500
More than five years	-	51
<b>Total</b>	<b>598</b>	<b>802</b>
<b>Total Commitments</b>	<b>612</b>	<b>828</b>

The Crown has entered into a number of operating lease agreements for buildings and office equipment, where the lessors effectively retain all the risks and benefits incidental to ownership of the items leased. Equal instalments of lease payments are charged to the Statement of Comprehensive Income over the lease term, as this is representative of the pattern of benefits to be derived from the leased property.

Legislature-General is prohibited by Treasurer's Instruction 502 Leases from holding finance leases.

**7.2 Contingent Assets and Liabilities**

Legislature-General has no contingencies.

**NOTE 8: RESERVES****8.1 Reserves**

2020	Land	Buildings	Heritage and cultural assets	Total
	\$'000	\$'000	\$'000	\$'000
<b>Asset revaluation reserve</b>				
Balance at the beginning of financial year	2,851	24,297	449	27,597
Revaluation increments/(decrements)	800	2,700	(61)	3,439
<b>Balance at end of financial year</b>	<b>3,651</b>	<b>26,997</b>	<b>388</b>	<b>31,036</b>

2019	Land	Buildings	Heritage and cultural assets	Total
	\$'000	\$'000	\$'000	\$'000
<b>Asset revaluation reserve</b>				
Balance at the beginning of financial year	2,851	24,297	449	27,597
Revaluation increments/(decrements)	-	-	-	-
<b>Balance at end of financial year</b>	<b>2,851</b>	<b>24,297</b>	<b>449</b>	<b>27,597</b>

**(a) Nature and purpose of reserves****Asset Revaluation Reserve**

The Asset Revaluation Reserve is used to record increments and decrements on the revaluation of Non-financial assets.

## NOTE 9: CASH FLOW RECONCILIATION

Cash means notes, coins, any deposits held at call with a bank or financial institution, as well as funds held in the Special Deposits and Trust Fund, being short term of three months or less and highly liquid. Deposits are recognised at amortised cost, being their face value.

### 9.1 Cash and cash equivalents

Cash and deposits includes the balance of the Special Deposits and Trust Fund Accounts held by Legislature-General, and other cash held.

	2020	2019
	\$'000	\$'000
<b>Special Deposits and Trust Fund balance</b>		
Legislature-General operating account	100	105
<b>Total</b>	<b>100</b>	<b>105</b>
<b>Other cash held</b>		
Cash on hand	1	1
<b>Total</b>	<b>1</b>	<b>1</b>
<b>Total cash and deposits</b>	<b>101</b>	<b>106</b>

### 9.2 Reconciliation of Net Result to Net Cash from Operating Activities

	2020	2019
	\$'000	\$'000
Net result	(426)	1,130
Depreciation and amortisation	631	583
Decrease (increase) in Receivables	118	(87)
Decrease (increase) in Prepayments	(39)	9
Decrease (increase) in Inventories	4	2
Increase (decrease) in Employee entitlements	193	(102)
Increase (decrease) in Payables	(144)	187
Increase (decrease) in Other liabilities	-	-
<b>Net cash from (used by) operating activities</b>	<b>337</b>	<b>1,722</b>

**10.1 Risk exposures**

**(a) Risk management policies**

Legislature-General has exposure to the following risks from its use of financial instruments:

- \* credit risk;
- \* liquidity risk; and
- \* market risk.

The Clerks have overall responsibility for the establishment and oversight of Legislature-General's risk management framework. Risk management policies are established to identify and analyse risks faced by Legislature-General to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

**(b) Credit risk exposures**

Credit risk is the risk of financial loss to Legislative-General if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Except as detailed in the following table, the carrying amount of financial assets recorded in the Financial Statements, net of any allowances for losses, represents Legislature-General's maximum exposure to credit risk without taking into account of any collateral

The carrying amount of financial assets recorded in the Financial Statements are all current.

Analysis of financial assets that are past due at 30 June 2020 but not impaired	Past due 31 to 60 days	Past due over 60 days	Total
	\$'000	\$'000	\$'000
Receivables	2	1	3

Analysis of financial assets that are past due at 30 June 2019 but not impaired	Past due 31 to 60 days	Past due over 60 days	Total
	\$'000	\$'000	\$'000
Receivables	1	2	3

**(c) Liquidity risk**

Liquidity risk is the risk that Legislature-General will not be able to meet its financial obligations as they fall due. Legislature-General's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they fall due.

The following tables detail the undiscounted cash flows payable by Legislature-General by remaining contractual maturity for its financial liabilities. It should be noted that as these are undiscounted, totals may not reconcile to the carrying amounts presented in the Statement of Financial Position:

**2020**

	Maturity analysis for financial liabilities		
	1 Year	Undiscounted Total	Carrying Amount
	\$'000	\$'000	\$'000
<b>Financial liabilities</b>			
Payables	138	138	138
Other liabilities	21	21	21
<b>Total</b>	<b>160</b>	<b>160</b>	<b>160</b>

**2019**

	Maturity analysis for financial liabilities		
	1 Year	Undiscounted Total	Carrying Amount
	\$'000	\$'000	\$'000
<b>Financial liabilities</b>			
Payables	113	113	113
Other liabilities	174	174	174
<b>Total</b>	<b>287</b>	<b>287</b>	<b>287</b>

**(d) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Legislature-General is not exposed to interest rate risk.



## 10.2 Categories of Financial Assets and Liabilities

	2020	2019
	\$'000	\$'000
<b>Financial assets</b>		
Cash and cash equivalents	101	106
Receivables	87	205
<b>Total</b>	<b>188</b>	<b>311</b>
<b>Financial liabilities</b>		
Payables	138	287
Other liabilities	21	18
<b>Total</b>	<b>159</b>	<b>305</b>

There has been no change, during the period and cumulatively, in the fair value of any receivables or financial liabilities that is attributable to changes in the credit risk of that asset or liability.

## 10.3 Net Fair Values of Financial Assets and Liabilities

Legislature-General does not have any financial assets or financial liabilities carried at fair value.

## **NOTE 11: OTHER SIGNIFICANT ACCOUNTING POLICIES AND JUDGEMENTS**

### **11.1 Objectives and Funding**

The objectives of the office of Legislature-General are:

- to provide the highest level of advice, research and administrative services necessary for the effective functioning of both Houses of Parliament, their committees and Members;
- to produce accurate, timely official records of the debates in both Houses of Parliament and evidence presented to parliamentary committees;
- to perform all of its functions at the highest attainable levels of professional competence and efficiency; and
- to be a fair and responsive employer, maximising the potential of all its staff through effective human resource practices.

Legislature-General is predominately funded by Parliamentary appropriations. It also provides catering services on a fee for service basis. Fees charged are determined by management. The financial report encompasses all funds through which Legislature-General controls resources to carry on its functions.

### **11.2 Basis of Accounting**

The Financial Statements are a general purpose financial report and have been prepared in accordance with:

- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board; and
- The Treasurer's Instructions issued under the provisions of the *Financial Management Act 2016*.

The Financial Statements were signed by the Clerk of the House of Assembly and the Clerk of the Legislative Council on 14 August 2018.

Compliance with the Australian Accounting Standards may not result in compliance with International Financial Reporting Standards, as the AAS include requirements and options available to not-for-profit organisations that are inconsistent with IFRS. Legislature-General is considered to be not-for-profit and has adopted some accounting policies under the AAS that do not comply with IFRS.

The Financial Statements have been prepared on an accrual basis and, except where stated, are in accordance with the historical cost convention. The accounting policies are generally consistent with the previous year except for those changes outlined in Note 11.5.

The Financial Statements have been prepared on the basis that the office is a going concern. The continued existence of Legislature-General in its present form, undertaking its current activities, is dependent on Government policy and on continuing appropriations by Parliament for Legislature-General's administration and activities.

### **11.3 Reporting Entity**

The Financial Statements include all the controlled activities of Legislature-General. The Financial Statements consolidate material transactions and balances of Legislature-General and entities included in its output groups. Material transactions and balances between Legislature-General and such entities have been eliminated.

### **11.4 Functional and Presentation Currency**

These Financial Statements are presented in Australian dollars, which is Legislature-General's functional currency.

### (a) Impact of new and revised Accounting Standards

In the current year, the Legislature-General has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current annual reporting period. These include:

- **AASB 15 Revenue from Contracts with Customers** – This Standard establishes principles that require an entity to apply to report useful information to users of financial statements about the nature, amount, timing, and uncertainty of revenue and cash flows arising from a contract with a customer.

AASB 15 supersedes AASB 111 *Construction Contracts*, AASB 118 *Revenue* and related Interpretations and it applies, with limited exceptions, to all revenue arising from contracts with customers. AASB 15 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The Standard requires the Legislature-General to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The Standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the Standard requires relevant disclosures.

The Legislature-General has adopted AASB 15 retrospectively with the cumulative effect of applying the Standard recognised from 1 July 2019 by adopting the transitional practical expedient permitted by the Standard. The financial impact is nil.

- **AASB 16 Leases** – This Standard introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities. The standard results in most of Legislature-General's operating leases being brought onto the Statement of Financial Position and additional note disclosures. The calculation of the lease liability takes into account appropriate discount rates, assumptions about the lease term, and required lease payments. A corresponding right to use asset is recognised, which is amortised over the term of the lease. Operating lease costs are no longer shown. In the Statement of Comprehensive Income, impact of leases is through amortisation and interest charges. In the Statement of Cash Flows, lease payments is shown as cash flows from financing activities instead of operating activities. Legislature-General has adopted AASB 16 retrospectively with the cumulative effect of applying the standard recognised from 1 July 2019 by adopting the transitional practical expedient permitted by the Standard. The financial impact is nil.

Legislature-General elected to use the practical expedient to expense lease payments for lease contracts that, at their commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is valued at \$10 000 or under when new (low value assets).

In applying AASB 16 for the first time, Legislature-General has used the following practical expedients permitted by the standard:

- not reassess whether a contract is, or contains, a lease at 1 July 2019, for those contracts previously assessed under AASB 117 and Interpretation 4;
  - applying a single discount rate to a portfolio of leases with reasonably similar characteristics;
  - relying on its previous assessment on whether leases are onerous immediately before the date of initial application as an alternative to performing an impairment review;
  - not recognise a lease liability and right-of-use-asset for short-term leases that end within 12 months of the date of initial application;
  - excluding the initial direct costs from the measurement of the right-of-use asset at the date of initial application; and
  - using hindsight in determining the lease term where the contract contained options to extend or terminate the lease.
- **AASB 1058 Income of Not-for-Profit Entities** - This Standard establishes principles for not-for-profit entities that applies to transactions where the consideration to acquire an asset is significantly less than fair value, principally to enable a not-for-profit entity to further its objectives, and the receipt of volunteer services.

The timing of income recognition under AASB 1058 depends on whether a transaction gives rise to a liability or other performance obligation, or a contribution by owners, related to an asset (such as cash or another asset) received. If the transaction is a transfer of a financial asset to enable Legislature-General to acquire or construct a recognisable non-financial asset to be controlled by Legislature-General (i.e. an in-substance acquisition of a non-financial asset), Legislature-General recognises a liability for the excess of the fair value of the transfer over any related amounts recognised. Legislature-General will recognise income as it satisfies its obligations under the transfer, similarly to income recognition in relation to performance obligations under AASB 15 as discussed above.

Revenue recognition for Legislature-General's appropriations, taxes, royalties and most grants and contributions will not change under AASB 1058, as compared to AASB 1004. Revenue will continue to be recognised when Legislature-General gains control of the asset (e.g. cash or receivable) in most instances.

Under AASB 1058, Legislature-General will continue to recognise volunteer services only when the services would have been purchased if they had not been donated, and the fair value of the services can be measured reliably. This treatment is the same as in prior years.

Legislature-General has adopted AASB 1058 retrospectively with the cumulative effect of applying the Standard recognised from 1 July 2019 by adopting the transitional practical expedient permitted by the Standard. Legislature-General has also adopted the transitional practical expedient as permitted by the Standard, whereby existing assets acquired for consideration significantly less than fair value principally to enable the entity to further its objectives, remain recorded at cost and are not restated to their fair value. The financial impact is nil.

#### **(b) Impact of new and revised Accounting Standards yet to be applied**

- **AASB 1059 Service Concession Arrangements: Grantors** – The objective of this Standard is to prescribe the accounting for a service concession arrangement by a grantor that is a public sector entity. This Standard applies on or after 1 January 2020. The impact of this Standard is enhanced disclosure in relation to service concession arrangements for grantors that are public sector entities. The financial impact is nil.

### **11.6 Foreign Currency**

Transactions denominated in a foreign currency are converted at the exchange rate at the date of the transaction. Foreign currency receivables and payables are translated at the exchange rates current as at balance date.

### **11.7 Comparative Figures**

Where any amounts have been reclassified within the Financial Statements, the comparative statements have been restated.

### **11.8 Rounding**

All amounts in the Financial Statements have been rounded to the nearest thousand dollars, unless otherwise stated. As a consequence, rounded figures may not add to totals. Amounts less than \$500 are rounded to zero.

### **11.9 Legislature-General Taxation**

Legislature-General is exempt from all forms of taxation except Fringe Benefits Tax and the Goods and Services Tax.

### **11.10 Goods and Services Tax**

Revenue, expenses and assets are recognised net of the amount of Goods and Services Tax, except where the GST incurred is not recoverable from the Australian Taxation Office. Receivables and payables are stated inclusive of GST. The net amount recoverable, or payable, to the Australian Taxation Office is recognised as an asset or liability within the Statement of Financial Position.

In the Statement of Cash Flows, the GST component of cash flows arising from operating, investing or financing activities which is recoverable from, or payable to, the Australian Taxation Office is, in accordance with the Australian Accounting Standards, classified as operating cash flows.