



LEGISLATURE-GENERAL

ANNUAL REPORT

YEAR 2018-19

Presented to both Houses of Parliament pursuant to the provisions
of the *Financial Management and Audit Act 1990*

LEGISLATURE-GENERAL

ANNUAL REPORT

YEAR 2018-19

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GENERAL

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

The Output structure of the Legislature-General for 2018-19 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

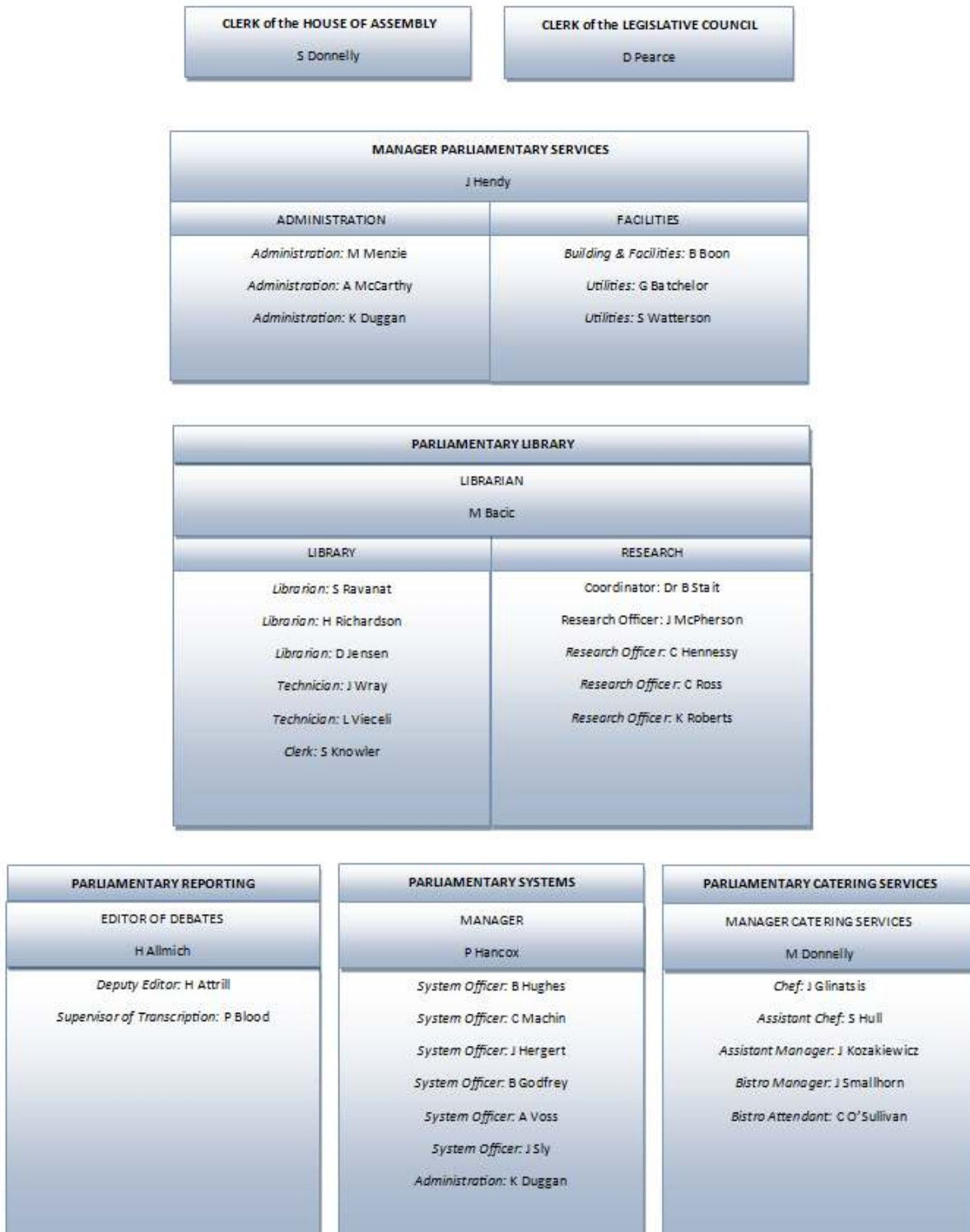
4.3 - Services to Members

4.4 - Corporate Services for Parliament Agencies

CORPORATE STRUCTURE

The Clerk of the House of Assembly and the Clerk of the Legislative Council are joint Heads of Agency. Co-ordination and direction is provided by the Secretary of the House Committee to the Branch Heads of the four Outputs.

Structure as at 30 June 2019:



HOUSE COMMITTEE

HOUSE COMMITTEE as at 30 June 2019

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 appointed 23 May 2019)

(Hon. J S Wilkinson resigned 4 May 2019)

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 2019, Ms Stephanie Hesford, Clerk-Assistant and Sergeant-at-Arms House of Assembly, held the position of Secretary.

OUTPUT 1 – PARLIAMENTARY REPORTING SERVICE

The two prime objectives of the Parliamentary Reporting Service are:

- To produce an accurate and timely record of the debates in both Houses of Parliament; and
- To provide transcripts of the proceedings of all evidence presented to parliamentary committees and of deliberations at ministerial or parliamentary conferences held in the Tasmanian Parliament.

The Hansard report of the two Houses is produced on a daily basis for parliamentary use and is available for public access in electronic form through the Internet. The transcript of debates is held for permanent record on compact disc. Three bound copies are produced for posterity – one for the State Library of Tasmania and two for the Parliamentary Library.

In brief the process involves:

- Recording the debates in both Houses of Parliament and audio typing from digital sound for a draft copy (employing sessional audio transcribers); and
- Verifying the accuracy of these drafts, with all necessary editing and proofreading of the transcripts being done by the editorial staff. Approval for the final version of these reports for both Houses of Parliament is given by the Editor of Debates.

Hansard currently employs three full-time staff – the Editor of Debates, the Deputy Editor and the Supervisor of Transcription Services. In addition, up to 14 casual typists and six subeditors are employed when the Parliament or its committees are sitting.

Production of Hansard and control of staff is the responsibility of the Editor of Debates. Accounting and other general human resource support is provided by Joint Services Administration.

OUTPUT 2 – PARLIAMENTARY LIBRARY and RESEARCH SERVICE

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 assumed 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 (0.45), Library Technicians and Library Clerk (2.4), and Research Officers (4). During 2018/19 Kira Aldridge (Research Officer) retired. This position is in the process of being filled.

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 714 reference queries during the 2018/19 year and added 25,965 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 476 research requests received in 2018/19, 300 of these were more complex and time consuming written requests. There were 31 oral briefings and 145 other requests, including committee support. During 2018/19 there was a high level of activity by both the House of Assembly and Legislative Council 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 2018/19 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

During the financial year 2018/19, the Computer and Electronic Services Department:

- Completed 4287 helpdesk jobs for the financial year and completed 10 days of Regional Office support.
- Ongoing implementation of restructured network to incorporate a private IP range including redesign of existing Vlan's. Replaced the network switches in the broadcast studio and Library.
- Designed and installed a 10gb network and installed Dell VRTX server infrastructure for virtual servers and commenced converted existing server fleet to a virtual environment.
- Upgraded all Legislative Council administrative staff computers and software to Microsoft Office Professional 2019.
- Upgraded Committee document delivery system for Legislative Council and House of Assembly.
- Upgraded Microsoft Exchange system to 2016 and virtualised the Exchange environment using HP fileserver hardware. Added three new UPS in three computer rooms and rebalanced power distribution within the main computer room.
- Designed and upgraded a new digital audio system for House of Assembly and Legislative Council chambers and integrated into the broadcast studio. Upgraded PA system in Reception and Long Rooms. Installed a digital audio recording system in the new Henty House committee room in Launceston for Hansard. Installed a TIPT video conference system in in new Henty House committee room in Launceston. Upgraded backup recording system for House of Assembly chamber using shot gun microphones.
- Upgraded access control system to integrate to Parliament Square building and virtualised access control servers. Upgraded hardware in security monitoring rooms. Added additional CCTV cameras within the present.
- Design and implementation of Telstra air watch MDM system for portable smart devices.
- Installed two new HP DL380 servers for virtual video on demand solution and two new video editing computers. Designed and published a new Chamber Proceedings section on the Website which brings together the daily chamber documents, Hansard and broadcast video which is accessible by a hyperlinked calendar reflecting the sitting days.
- Legislative Council Chamber ICT design and upgrade as part of the overall chamber redevelopment, installed new network including workstations for members, digital audio recording system including 22 new microphones, separate backup audio system using shotgun microphones, CCTV, new Broadcast camera mounts and TIPT handsets.
- Opened two new Labor offices, one in Burnie and one in Devonport and closed an existing office in Burnie. Commence office design for ICT and security for new Kingston Legislative Council office.
- Hosted the 2018 Australian New Zealand Parliamentary Information Technology annual conference with 30 delegates from all jurisdictions including Westminster.
- Installed Telstra Business connect Unified communications software to 278 Parliament House TIPT clients. Upgraded each MLC and MP regional office desk phone to a video conference handset by repurposing hardware provided by Tas Ports Corporation.

OUTPUT 4.1 – BUILDING OPERATIONS

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	2018-19	\$1.4m

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

Contractor	Location	Project	Period	Value
NIL				

RISK MANAGEMENT

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.

The Parliament computer network has a comprehensive Disaster Recovery Plan under the control of the Parliamentary Systems Manager.

The documented procedures in the Plan have been tested.

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.

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

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 four 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.

The Service is administered by the Secretary of the Joint House Committee.

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

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.

JOINT STANDING COMMITTEE ON PUBLIC WORKS

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 the cost of which is estimated cost of completing the work exceeds \$5,000,000.

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:

At 30 June 2019: Hon Rob Valentine MLC (Chair), Mrs Joan Rylah MP (Deputy Chair), Ms Jenna Butler MP, Hon. Tania Rattray MLC; and Mr Mark Shelton MP.

Staff:

Secretary: Mr Scott Hennessy

Reports:

- Major Refurbishment of Riverside High School.
- Major Redevelopment of Taroona High School.
- Southern Accommodation Project, Lands Building Redevelopment.
- Richmond Road Projects-Section 1 Cambridge Link Road and Sections 3, 4, and 5 Richmond Road.

Meetings:

During the reporting period, the Committee met on 13 occasions, such meetings being held in Currie, Hobart, Kempton and Launceston.

JOINT STANDING COMMITTEE ON SUBORDINATE LEGISLATION

The Subordinate Legislation Committee was established in 1969 by Statute. 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. Although it is a Joint Standing Committee the Secretary to the Committee has traditionally been a Table Officer in the Legislative Council, and therefore the Council is responsible for administering the Committee.

The Committee's charter is to examine every Regulation, By-Law and Rule. Regulations comprise all subordinate legislation made by the Governor-in-Council but do not include Orders, Proclamations or Rules of the Supreme Court. By-Laws are those made by municipal councils, marine boards and other semi-government authorities. The Committee is also responsible for ensuring the *Subordinate Legislation Act 1992* is complied with, and the examination of other Instruments referred to it under the authority of an Act.

The Government Printer sends the Committee copies of all regulations as soon as they have been gazetted. Each municipality is required under the *Local Government Act 1993* to provide the Committee with a copy of any new or amended By-Laws.

During the reporting period of the First Session - Forty-Ninth Parliament the Committee held a total of seven (7) meetings. The Committee examined forty nine (49) instruments of subordinate legislation that had been published in the Government Gazette.

The Parliament was prorogued on 26 February 2019.

During the reporting period of the Second Session - Forty-Ninth Parliament the Committee held a total of two (2) meetings. The Committee examined twenty five (25) instruments of subordinate legislation that had been published in the Government Gazette.

As part of the examination of these instruments, the Committee requested information from Ministers in writing, in relation to regulations imposing significant increases in fees, explanations of some provisions and other issues of concern. The majority of queries were resolved to the Committee's satisfaction using this mechanism to obtain further information.

During the year the Committee also received briefings from Departmental Officers in relation to the following instruments –

- FISHERIES (MARINE PLANT) RULES 2017 (S.R. 2017, No. 57)
- FISHERIES AMENDMENT RULES 2017 (S.R. 2017, No. 58)
- FISHERIES (GENERAL AND FEES) AMENDMENT REGULATIONS (No. 2) 2017 (S.R. 2017, No. 60)
- FISHERIES (GENERAL AND FEES) AMENDMENT REGULATIONS (No. 3) 2017 (S.R. 2017, No. 61)
- FISHERIES (ABALONE) RULES 2017 (S.R. 2017, No. 94)
- FISHERIES (GENERAL AND FEES) AMENDMENT REGULATIONS (No. 4) 2017 (S.R. 2017, No. 96)
- PUBLIC HEALTH (TOBACCO SELLER'S LICENCE) AMENDMENT REGULATIONS 2017 (S.R. 2017, No. 92)

- PUBLIC HEALTH (INFRINGEMENT NOTICES) AMENDMENT REGULATIONS 2017 (S.R. 2017, No. 108)
- MINERAL RESOURCES AMENDMENT REGULATIONS 2018 (S.R. 2018, No. 20)
- LAND USE PLANNING AND APPROVALS AMENDMENT REGULATIONS 2018 (S.R. 2018, No. 52)
- VEHICLE AND TRAFFIC (VEHICLE STANDARDS) AMENDMENT REGULATIONS 2018 (S.R. 20189, No. 61)
- VEHICLE AND TRAFFIC (VEHICLE OPERATIONS) AMENDMENT REGULATIONS 2018 (S.R. 20189, No. 62)
- TRAFFIC (COMPLIANCE AND ENFORCEMENT) AMENDMENT REGULATIONS 2018 (S.R. 20189, No. 63)
- POISONS REGULATIONS 2018 (S.R. 2018, No. 79)
- POISONS (APPLICATION OF UNIFORM STANDARD) ORDER (S.R. 2018, No. 90)
- CLARENCE CITY COUNCIL PUBLIC PLACES BY-LAW (No. 1 of 2018)

The briefings provided Members with further details and clarification of specific issues.

PUBLIC HEALTH (INFRINGEMENT NOTICES) AMENDMENT REGULATIONS 2017 (S.R. 2017, No. 108)

- On 24 August 2018 the Department of Health briefed the Committee regarding these Regulations.

Regulations were resolved as “examined” on 24 August 2018.

A Report regarding the Committee’s findings was Tabled in both Houses of Parliament on 25 September 2018.

PROVISION OF DOCUMENTATION IN ACCORDANCE WITH STATUTORY PROVISIONS

The Committee has continued to encounter difficulties at times in obtaining documentation, including relevant certificates from some Departments and Local Government Authorities, in accordance with relevant statutory provisions. As a result of these difficulties, the Committee has experienced unreasonable delays on occasion in fulfilling its statutory functions in accordance with section 8 of the Subordinate Legislation Committee Act 1969. These difficulties have been outlined in previous Annual Reports of the Committee.

A meeting was convened with the Premier during the reporting period to formally discuss these concerns. Whilst improvement has been noted by some Departments, there appears to remain a general lack of training, support and knowledge within certain Agencies regarding the process for the making of statutory rules. Whilst the Office of Parliamentary Counsel has published a Manual for the Preparation of Statutory Rules, it is evident to the Committee that this Manual has not been utilized consistently by Departmental Officers as should be the case.

Committee Membership – First Session Forty Ninth Parliament

Legislative Council

Hon Craig Farrell MLC
 Hon Tania Rattray MLC (Chair)
 Hon Rob Valentine MLC (Deputy Chair)

House of Assembly

Mr Adam Brooks MP
 Mr Mark Shelton MP
 Ms Alison Standen MP

Committee Membership – Second Session Forty Ninth Parliament

Legislative Council

Hon Craig Farrell MLC (resigned 21 May 2019)
Hon Ruth Forrest MLC (Deputy Chair)
Hon Tania Rattray MLC (Chair)
Hon Meg Webb MLC (appointed 28 May 2019)

House of Assembly

Mr Mark Shelton MP
Ms Alison Standen MP
Mr John Tucker MP

JOINT STANDING COMMITTEE OF PUBLIC ACCOUNTS

The Public Accounts Committee is a Joint Standing Committee of the Tasmanian Parliament 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.

Under section 6 of the *Public Accounts Committee Act 1970* the Committee:

- must 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; or the accounts of any public authority or other organisation controlled by the State or in which the State has an interest; and
- may inquire into, consider and report to the Parliament on any matter arising in connection with public sector finances that the Committee considers appropriate; and any matter referred to the Committee by the Auditor-General.

The Committee also has oversight responsibilities regarding the independence of the Auditor-General, which are derived from the *Audit Act 2008*.

An important area of focus for the Committee is following up Auditor-General's reports to Parliament under Section 6.2(b) of the Act.

In scrutinising the work of the Auditor-General, the Committee believes it can provide greater awareness within the Parliament and the community, leading to increased information and greater transparency.

Year in review 2018-19

A. Completed Inquiries

- The Committee tabled the following report: No. 6 of 2018: Review of Selected Public Works Committee Reports was tabled 30 August 2018.

B. Prorogation of Parliament

- Parliament was prorogued on 27 February 2019.
- The second session of the Parliament commenced 19 March 2019 and Committee Members of the House of Assembly and Legislative Council were appointed.

C. Work in Progress

- 1. Follow-up review of Auditor-General Reports:
 - No. 11 of 2013-14: Compliance with the Alcohol, Tobacco and Other Drugs Plan 2008-13;
 - No. 1 of 2013-14: Fraud control in local government;

- No. 12 of 2013-14: Quality of Metro Services; and
 - No. 3 of 2014-15: Motor vehicle fleet management in government departments.
 - A draft report is under consideration by the Committee.
- 2. Follow-up review of a number of Public Works Committee approved project works including:
- Colebrook Main Road, Richmond – Heavy Vehicle Link Road;
 - Construction of Dunalley Primary School; and
 - George Town Hub.
 - A draft report is under consideration by the Committee.
- 3. Follow-up review of Auditor-General Reports:
- No. 8 of 2015-16: Provision of Social Housing; and
 - No. 11 of 2015-16: Compliance with legislation.
 - A draft report is under consideration by the Committee.
- 4. The Committee self-initiated an inquiry to review the Tasmanian Government Fiscal Sustainability Report 2016.
- 5. The Committee self-initiated an inquiry into the Office of the Ombudsman to inquire into and report upon the Office of the Ombudsman and Health Complaints Commissioner with particular reference to the:
- functions of the Office;
 - resourcing of the Office;
 - performance of the Office; and
 - any other matters incidental thereto.

D. Briefings

- 1. The Committee received a number of briefings throughout the year to assist it in its work including:
- The Auditor-General, Mr Rod Whitehead:
 - 2018-19 and 2019-20 Annual Plans of Work; and
 - Special Care Packages for Out of Home Care.
 - The Secretary of the Department of Treasury and Finance, Mr Tony Ferrall:
 - The Tasmanian Government Fiscal Sustainability Report 2016; and
 - Implementation of the Financial Management Act 2016.
 - Department of Treasury and Finance:
 - Legislation to amend the Fee Units Act 1997.

Administration

1. 12 Committee Meetings and Hearings were scheduled and conducted throughout the year.
2. Attendance by Committee members at full committee meetings over the period 1 July 2018 to 30 June 2019 is recorded below:

	Full Committee Meetings	
	Eligible to Attend	Attended
Ivan Dean MLC (Chair)	12	12
Scott Bacon MP	12	12
Adam Brooks MP	8	6
Ruth Forrest MLC	12	12
Michael Gaffney MLC	12	11
Rene Hidding MP	8	8
Joan Rylah MP	4	4
John Tucker MP	4	4
Josh Willie MLC	1	1

The Committee was assisted by the following Secretariat

Committee Secretary:	Ms Gabrielle Woods
Executive Assistant:	Ms Allison Waddington
Research Officer:	Dr Bryan Stait and staff

MANAGEMENT and HUMAN RESOURCES

Financial

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

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 2019

Output		Employees			FTE
		Permanent	Part Time	Sessional	
1.1	Parliamentary Reporting Service	5.0		3.6	8.6
2.1	Parliamentary Library	8.0	2.4	0.2	10.6
3.2	Parliamentary Systems	7.0		1.6	8.6
4.1	Building Operations	4.0		1.0	5.0
4.2	Joint Management	2.0	1.0		3.0
4.3	Catering	4.0	0.8	1.9	6.7
Totals:		30.0	4.2	8.3	42.5

Staff Separations

During the course of the year there were four 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:-

- 71.11% of staff are women;
- 0.00% of staff are Aboriginal or of Torres Strait Islander descent;
- 0.00% of staff are disabled.

Industrial Democracy

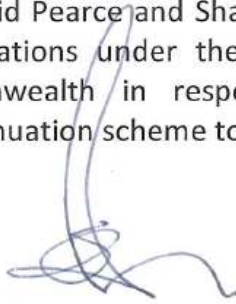
Legislature-General has a co-operative approach to decision making. The size of the department allows for direct and immediate consultation between staff and executive officers. Formal channels of conflict resolution are accessible by staff of Legislature-General.

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 well being 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.



S. DONNELLY

Clerk of the House of Assembly



D. PEARCE

Clerk of the Legislative Council



**LEGISLATURE-GENERAL
FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2019**

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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 the Legislature-General, which comprises the statement of financial position as at 30 June 2019 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) presents fairly, in all material respects, the financial position of the Legislature-General as at 30 June 2019 and its financial performance and its cash flows for the year then ended
- (b) are in accordance with the *Financial Management and Audit Act 1990* 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* (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.

My audit is not designed to provide assurance on the accuracy and appropriateness of the budget information included in the financial statements.

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

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 Section 27(1) of the *Financial Management and Audit Act 1990* and for such internal control as they determine is 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 Legislature-General is to be dissolved by an Act of Parliament.

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 is 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 Clerks 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

... 2 of 3

To provide independent assurance to the Parliament and Community on the performance and accountability of the Tasmanian Public sector.
Professionalism | Respect | Camaraderie | Continuous Improvement | Customer Focus

Strive | Lead | Excel | To Make a Difference

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 represents 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

30 October 2019
Hobart

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 1990* to present fairly the financial transactions for the year ended 30 June 2019 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.



13/08/2019

Shane Donnelly
Clerk of the House of Assembly



13/08/2019

David Pearce
Clerk of the Legislative Council

	Notes	2019 Budget \$'000	2019 Actual \$'000	2018 Actual \$'000
Continuing operations				
Revenue and other income from transactions				
Revenue from Government				
Appropriation revenue - recurrent	3.1	6,726	6,995	7,017
Appropriation revenue - works & services	3.1	0	1,716	0
Sales of goods and services	3.2	172	382	383
Other revenue	3.3	0	84	84
Total revenue and other income from transactions		6,898	9,177	7,484
Expenses from transactions				
Employee benefits	4.1	3,507	4,101	3,887
Depreciation and amortisation	4.2	588	583	583
Cost of goods sold		0	279	298
Supplies and consumables	4.3	3,246	2,977	2,829
Grants and subsidies	4.4	59	53	53
Other expenses	4.5	46	54	53
Total expenses from transactions		7,446	8,047	7,702
Net result from transactions (net operating balance)		(548)	1,130	(218)
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Change in Asset Revaluation Reserve	8.1	0	0	851
Total other comprehensive income		0	0	851
Total Comprehensive Result		(548)	1,130	633

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.

	Notes	2019 Budget \$'000	2019 Actual \$'000	2018 Actual \$'000
Assets				
<i>Financial assets</i>				
Cash and deposits	9.1	121	106	106
Receivables	5.1	76	205	120
<i>Non-financial assets</i>				
Inventories	5.2	37	35	37
Property, plant and equipment	5.3	34,626	37,191	36,051
Other assets	5.4	48	86	95
Total assets		34,908	37,623	36,409
Liabilities				
Payables	6.1	207	287	100
Employee benefits	6.2	1,054	961	1,061
Other liabilities	6.3	19	18	20
Total liabilities		1,280	1,266	1,181
Net assets		33,628	36,357	35,227
Equity				
Reserves	8.1	26,746	27,597	27,597
Accumulated funds		6,882	8,760	7,630
Total equity		33,628	36,357	35,227

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	2019 Budget \$'000	2019 Actual \$'000	2018 Actual \$'000
Cash flows from operating activities		Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
Cash inflows				
Appropriation receipts - recurrent		6,726	6,995	7,017
Appropriation receipts - works and services		0	1,716	0
Sales of goods and services		172	383	384
GST receipts		364	394	306
Other cash receipts		0	85	84
Total cash inflows		7,262	9,572	7,791
Cash outflows				
Employee benefits		(3,156)	(3,833)	(3,673)
Superannuation		(341)	(371)	(309)
GST payments		(364)	(482)	(350)
Supplies and consumables		(3,246)	(2,780)	(2,830)
Other cash payments		(105)	(383)	(434)
Total cash outflows		(7,212)	(7,849)	(7,596)
Net cash from (used by) operating activities	9.2	50	1,723	195
Cash flows from investing activities				
Cash outflows				
Payments for acquisition of non-financial assets		(50)	(1,723)	(210)
Total cash outflows		(50)	(1,723)	(210)
Net cash from (used by) investing activities		(50)	(1,723)	(210)
Net increase (decrease) in cash and cash equivalents held		0	0	(15)
Cash and deposits at the beginning of the reporting period		121	106	121
Cash and deposits at the end of the reporting period	9.1	121	106	106

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 2019

	Asset Revaluation Reserve \$'000	Accumulated Funds \$'000	Total Equity \$'000
Balance as at 1 July 2018	27,597	7,630	35,227
Net result	0	1,130	1,130
Other comprehensive income	0	0	0
Total comprehensive result	0	1,130	1,130
Balance as at 30 June 2019	27,597	8,760	36,357

	Asset Revaluation Reserve \$'000	Accumulated Funds \$'000	Total Equity \$'000
Balance as at 1 July 2017	26,746	7,848	34,594
Net result	851	(218)	633
Other comprehensive income	0	0	0
Total comprehensive result	851	(218)	633
Balance as at 30 June 2018	27,597	7,630	35,227

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

	2019 Budget \$'000	2019 Actual \$'000	2018 Actual \$'000
Continuing operations			
Revenue and other income from transactions			
Revenue from appropriation	1,048	739	722
Total revenue and other income from transactions	1,048	739	722
Expenses from transactions			
Employee benefits	1,006	788	738
Supplies & consumables	42	62	54
Other expenses	0	0	0
Total expenses from transactions	1,048	850	792
Net operating result from continuing operations	0	(111)	(70)
Comprehensive result	0	(111)	(70)
Expense by output			
Production & printing of Parliamentary reports	1,048	850	792
Total	1,048	850	792
Net Assets			
Total assets deployed for Parliamentary reporting service		0	0
Total liabilities incurred for Parliamentary reporting service		(119)	(182)
Net assets (liabilities) deployed for Parliamentary reporting service		(119)	(182)

Output Group 2 – Parliamentary Library Service

	2019 Budget \$'000	2019 Actual \$'000	2018 Actual \$'000
Continuing operations			
Revenue and other income from transactions			
Revenue from appropriation	1,093	948	989
Total revenue and other income from transactions	1,093	948	989
Expenses from transactions			
Employee benefits	1,024	1,012	1,015
Supplies & consumables	69	79	70
Other expenses	0	0	0
Total expenses from transactions	1,093	1,091	1,085
Net operating result from continuing operations	0	(143)	(96)
Comprehensive result	0	(143)	(96)
Expense by output			
Parliamentary library service	1,093	1,091	1,085
Total	1,093	1,091	1,085
Net Assets			
Total assets deployed for Parliamentary library service		0	0
Total liabilities incurred for Parliamentary library service		(335)	(356)
Net assets (liabilities) deployed for Parliamentary library service		(335)	(356)

Output Group 3 – Parliamentary Printing & Systems

	2019 Budget \$'000	2019 Actual \$'000	2018 Actual \$'000
Continuing operations			
Revenue and other income from transactions			
Revenue from appropriation	1,340	1,331	1,199
Other revenue	0	83	82
Total revenue and other income from transactions	1,340	1,414	1,281
Expenses from transactions			
Employee benefits	382	809	778
Supplies & consumables	958	448	514
Depreciation	0	274	25
Other expenses	0	0	0
Total expenses from transactions	1,340	1,531	1,317
Net operating result from continuing operations	0	(117)	(36)
Comprehensive result	0	(117)	(36)
Expense by output			
Parliamentary printing	501	175	222
Parliamentary systems	839	1,356	1,095
Total	1,340	1,531	1,317
Net Assets			
Total assets deployed for Parliamentary printing & systems		37	37
Total liabilities incurred for Parliamentary printing & systems		(294)	(278)
Net assets (liabilities) deployed for Parliamentary printing & systems		(257)	(241)

Output Group 4 – Joint Services

	2019 Budget \$'000	2019 Actual \$'000	2018 Actual \$'000
Continuing operations			
Revenue and other income from transactions			
Revenue from appropriation - recurrent	3,417	3,977	4,107
Revenue from appropriation - works & services	0	1,716	0
Other revenue	0	384	385
Total revenue and other income from transactions	3,417	6,077	4,492
Expenses from transactions			
Employee benefits	1,128	1,436	1,355
Grant & transfer payments	59	53	53
Supplies & consumables	2,076	2,444	2,192
Cost of goods sold	139	279	298
Depreciation	548	309	558
Other expenses	15	54	53
Total expenses from transactions	3,965	4,576	4,509
Net operating result from continuing operations	(548)	1,501	(17)
Comprehensive result	(548)	1,501	(17)
Expense by output			
Buildings & operations management	1,976	2,299	2,823
Joint management services	413	995	464
Services to members	919	1,174	1,215
Corporate services for Parliamentary agencies	109	107	7
Total	3,417	4,576	4,509
Net Assets			
Total assets deployed for Joint Services		37,359	36,134
Total liabilities incurred for Joint Services		(212)	(245)
Net assets (liabilities) deployed for Joint Services		37,147	35,889

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

	2019	2019	2018
	Budget	Actual	Actual
	\$'000	\$'000	\$'000
Net result from transactions (net operating balance)	(548)	1,130	(219)
Reconciliation to comprehensive result			
Expenditure from appropriation revenue (capital) transferred to assets	0	0	0
Other economic flows - Other Non Owner Changes in Equity			
Change in Physical Asset Revaluation Reserve	0	0	851
Comprehensive result	(548)	1,130	633

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

	2019	2018
	Actual	Actual
	\$'000	\$'000
Total net assets deployed for Output Groups	36,436	35,110
Reconciliation to net assets		
Assets unallocated to Output Groups	228	238
Liabilities unallocated to Output Groups	(350)	(120)
Net assets	36,357	35,227

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

Budget information refers to original estimates as disclosed in the 2018-19 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

		2019	2019	2018	Budget	Actual
	Note	Budget	Actual	Actual	Variance	Variance
		\$'000	\$'000	\$'000	\$'000	\$'000
Appropriation revenue - recurrent	(a)	6,726	6,995	7,017	269	(22)
Appropriation revenue - works & services	(b)	0	1,716	0	1,716	1,716
Sales of goods and services	(c)	172	382	383	210	(1)
Other revenue	(d)	0	84	84	84	1
Cost of goods sold	(e)	0	279	298	(279)	(19)
Employee benefits	(f)	3,507	4,101	3,887	(594)	214

Notes to Statement of Comprehensive Income variances

(a) Appropriation revenue is directly related to our expenditure for the year. We had in total of \$270k in recurrent RAF's for the 2018/19 financial year for security and rent.

(b) Appropriation revenue for works and services are related to the Television Broadcasting and garden Lighting projects funded by RAF's.

(c) & (e) Sales of goods and services needs to be netted off against cost of goods sold.

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

(f) Lower wages and overtime last year (due to the timing of the election) has meant an increase in this years wages and salaries by comparison.

2.2 Statement of Financial Position

Budget estimates for the 2018-19 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 2018 and 30 June 2019 actual balances.

		2019	2019	2018	Budget	Actual
	Note	Budget	Actual	Actual	Variance	Variance
		\$'000	\$'000	\$'000	\$'000	\$'000
Cash and deposits	(a)	121	106	106	(15)	0
Receivables	(b)	76	205	120	129	85
Payables	(c)	207	287	100	(80)	187

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 increased due to timing of payment's this financial year. GST owed to Legislature-General has increased by \$87k this financial year due to the high levels of capital expenditure in June.

(c) Payables have increased due to more invoices having to be taken up as creditors due to the timing and approvals of RAF's.

2.3 Statement of Cash Flows

	Note	2019 Budget \$'000	2019 Actual \$'000	2018 Actual \$'000	Budget Variance \$'000	Actual Variance \$'000
Sales of goods and services	(a)	172	383	384	211	(1)
Other cash receipts	(b)	0	85	84	85	1
Employee Benefits	(c)	(3,156)	(3,833)	(3,673)	(677)	(160)
Other cash payments	(d)	(105)	(383)	(434)	(278)	51

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 lower than previous years due to an increase in accounts payable at the end of the financial year.

NOTE 3: INCOME FROM TRANSACTIONS

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.

3.1 Revenue from Government

Appropriations, whether recurrent 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 includes revenue from appropriations, appropriations carried forward under section 8A(2) of the *Public Account Act 1986*.

Section 8A(2) of the Public Account Act allows for an unexpended balance of an appropriation to be transferred to an Account in the Special Deposits and Trust Fund for such purposes and conditions as approved by the Treasurer. In the initial year, the carry forward is recognised as a liability, Revenue Received in Advance. The carry forward from the initial year is recognised as revenue in the reporting year, assuming that the conditions of the carry forward are met and the funds are expended.

The Budget information is based on original estimates and has not been subject to audit.

	2019 Budget \$'000	2019 Actual \$'000	2018 Actual \$'000
Continuing operations			
Appropriation revenue - recurrent	6,726	6,995	7,017
Appropriation revenue - works & services	0	1,716	0
Total	6,726	8,711	7,017
Total revenue from Government	6,726	8,711	7,017

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.

	2019 \$'000	2018 \$'000
Sales of goods by Parliamentary dining room	382	383
Total	382	383

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.

	2019	2018
	\$'000	\$'000
Miscellaneous cost recoveries	84	84
Total	84	84

NOTE 4: EXPENSES FROM TRANSACTIONS

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

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

	2019	2018
	\$'000	\$'000
Wages and salaries	3,352	3,117
Annual leave	144	203
Long service leave	116	102
Superannuation	364	345
Other employee expenses	125	120
Total	4,101	3,887

Superannuation expenses relating to defined benefit schemes relate to payments into the Consolidated Fund. The amount of the payment is based on an agency contribution rate determined by the Treasurer, on the advice of the State Actuary. The current agency contribution is 12.95 per cent (2018: 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 (2018: 9.5 per cent) of salary. In addition, departments are also required to pay into the Consolidated Fund a "gap" payment equivalent to 3.45 per cent (2018: 3.45 per cent) of salary in respect of employees who are members of contribution schemes.

4.1(a) 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.

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
- Leasehold Improvements
 - Offices at 10 Murray Street 5 years
- Plant and equipment
 - Computer Equipment 3 years
 - Security Equipment 10 years
 - Other plant and Equipment 10 years

(a) Depreciation

	2019	2018
	\$'000	\$'000
Buildings	300	312
Plant & equipment	275	268
Furniture & fittings	9	3
Total	583	583

4.3 Supplies and consumables

	2019	2018
	\$'000	\$'000
Accommodation related expense	1,475	1,386
Rental paid to government	375	370
Communications	135	201
Audit fees - financial audit	23	23
Audit fees - internal audit	46	9
Equipment maintenance & replacements	320	286
Printing & supplies	363	299
Special project	45	1
Other supplies and consumables	194	253
Total	2,977	2,829

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.

	2019	2018
	\$'000	\$'000
Commonwealth Parliamentary Association - London Subsidy	14	14
Commonwealth Parliamentary Association - Tasmania Branch Subsidy	39	39
Total	53	53

4.5 Other expenses

	2019	2018
	\$'000	\$'000
Workers compensation insurance	54	53
Total	54	53

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

	2019	2018
	\$'000	\$'000
Supplies, Consumables & Other Expenses	3,030	2,881
Sitting Days	67 days	57 days
Cost per Sitting Day	45	51
Full Time Effective Staff	41 FTE	41 FTE
Cost per Full Time Effective Staff	74	70

4.7 Total Expenses compared to sitting days & FTE

	2019	2018
	\$'000	\$'000
Total Expenses	8,047	7,702
Sitting Days	67 days	57 days
Cost per Sitting Day	120	135
Full Time Effective Staff	41 FTE	41 FTE
Cost per Full Time Effective Staff	196	188

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

In 2017-18 receivables were recognised at amortised cost, less any impairment losses, however, due to the short settlement period, receivables were not discounted back to their present value. In addition, receivables were subject to an annual review for impairment, where there was objective evidence that, as a result of one or more events that occurred after the initial recognition, the future cash flows have been affected.

From 2018-19, the Department recognises receivables 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. The Department recognises an allowance for expected credit losses 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, the Department applies a simplified approach in calculating expected credit losses. The Department recognises a loss allowance based on lifetime expected credit losses 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.

	2019	2018
	\$'000	\$'000
Receivables	46	48
Less: Provision for impairment	0	(1)
Less: Expected credit loss	(1)	0
Total	45	47
Other receivables	160	73
Total	159	73
Total	205	120
Settled within 12 months	205	120
Settled in more than 12 months	0	0
Total	205	120

	2019
Reconciliation of movement in expected credit loss for receivables	\$'000
Carrying amount at 30 June 2018 under AASB 139	(1)
Amounts restated through Accumulated Funds	0
Carrying amount at 1 July under AASB 9	<u>(1)</u>
Amounts written off during the year	0
Amounts recovered during the year	0
Increase/(decrease) in provision recognised in profit or loss	<u>0</u>
Carrying amount at 30 June	<u>(1)</u>

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.

	2019	2018
	\$'000	\$'000
Stock on hand - Dining Room	27	28
Stock on hand - Bistro	8	9
Total	<u>35</u>	<u>37</u>
Utilised within 12 months	35	37
Utilised in more than 12 months	0	0
Total	<u>35</u>	<u>37</u>

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.

Legislature-General's heritage and cultural assets are revalued on a 5 yearly basis. Antique furniture was revalued as at 13 August 2015 and was independently conducted. The valuer. was Mr A F Colman. The revaluation was based on replacement value.

Artworks and artifacts were revalued as at 30 June 2015 and were independently conducted. Artworks were valued by Mr W N Hurst (Director, Masterpiece Gallery). Revaluations were based on replacement value.

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

(a) carrying amount

	2019	2018
	\$'000	\$'000
Land		
At fair value (30 June 2018)	5,000	5,000
Total	5,000	5,000
Buildings		
At fair value (30 June 2018)	30,000	30,000
Less: Accumulated depreciation	(300)	0
Total	29,700	30,000
Plant and equipment		
At cost	4,509	4,228
Less: Accumulated depreciation	(4,018)	(3,744)
Total	491	484
Furniture and fittings		
At cost	228	228
Less: Accumulated depreciation	(222)	(213)
Total	6	15
Heritage and cultural assets		
Antique Furniture at cost	11	11
Antique Furniture at fair value (13 August 2015)	203	203
Artworks and Artifacts at fair value (30 June 2015)	338	338
Less: Accumulated depreciation	0	0
Total	552	552
Work in Progress		
Plant and Equipment WIP	1,443	0
Total	1,443	0
Total property, plant and equipment	37,191	36,051

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.

2019	Land	Buildings	Leasehold	Plant and	Furniture and	Heritage and	WIP	Total
	Level 3	Level 3	improve-	equipment	fittings	cultural		
	\$'000	\$'000	ments	\$'000	\$'000	assets		
			\$'000	\$'000	\$'000	Level 3		
					\$'000	\$'000	\$'000	\$'000
Carrying value at 1 July 2018	5,000	30,000	0	483	16	552	0	36,051
Additions	0	0	0	281	0	0	1,443	1,724
<i>Gains/losses recognised in other comprehensive income</i>								
Revaluation increments (decrements)	0	0	0	0	0	0	0	0
Depreciation and amortisation	0	(300)	0	(275)	(9)	0	0	(583)
Carrying value at 30 June 2019	5,000	29,700	0	489	7	552	1,443	37,191
2018								
	Land	Buildings	Leasehold	Plant and	Furniture and	Heritage and	WIP	Total
	Level 3	Level 3	improve-	equipment	fittings	cultural		
	\$'000	\$'000	ments	\$'000	\$'000	assets		
			\$'000	\$'000	\$'000	Level 3		
						\$'000	\$'000	\$'000
Carrying value at 1 July 2017	4,500	29,961	0	546	13	552	0	35,572
Additions	0	0	0	204	6	0	0	210
<i>Gains/losses recognised in operating result</i>								
Revaluation increments (decrements)	500	351	0	0	0	0	0	851
Depreciation and amortisation	0	(312)	0	(267)	(3)	0	0	(582)
Carrying value at 30 June 2018	5,000	30,000	0	483	16	552	0	36,051

(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 inputs	Sensitivity of fair value to changes in level 3 inputs
Land	5,000	(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	29,700	(a) Construction costs (b) Economic conditions (c) Remaining useful life	Note 1	Building activity has been subdued during 2018-19. 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	552	(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**

	2019	2018
	\$'000	\$'000
Other current assets		
Prepayments	86	95
Total	86	95
Utilised within 12 months	86	95
Total	86	95

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.

	2019	2018
	\$'001	\$'001
Creditors	114	24
Accrued expenses	173	76
Total	287	100
Settled within 12 months	287	100
Settled in more than 12 months	0	0
Total	287	100

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.

	2019	2018
	\$'000	\$'000
Accrued salaries	29	60
Annual leave	361	374
Long service leave	471	520
Superannuation	100	107
Total	961	1,061
Settled within 12 months	304	332
Settled in more than 12 months	657	729
Total	961	1,061

6.3 Other liabilities

	2019	2018
	\$'000	\$'000
Other Liabilities		
Employee Benefits - On-Costs	18	20
Total	18	20
Settled within 12 months	10	11
Settled in more than 12 months	8	9
Total	18	20

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

	2019	2018
	\$'000	\$'000
By type		
<i>Lease Commitments</i>		
Operating leases - Photocopiers	26	33
Property leases	802	206
Total lease commitments	828	239
By Maturity		
<i>Operating lease commitments</i>		
One year or less	262	117
From one to five years	514	121
More than five years	52	0
Total operating lease commitments	828	239

Legislature-General 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**

	2019	2018
	\$'000	\$'000
Asset revaluation reserve		
Balance at the beginning of financial year	27,597	26,746
Revaluation increments/(decrements)	0	851
Balance at end of financial year	27,597	27,597

(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 deposits

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

	2019	2018
	\$'000	\$'000
Special Deposits and Trust Fund balance		
Legislature-General operating account	105	105
Total	105	105
Other cash held		
Cash on hand	1	1
Total	1	1
Total cash and deposits	106	106

9.2 Reconciliation of Net Result to Net Cash from Operating Activities

	2019	2018
	\$'000	\$'000
Net result	1,130	(218)
Depreciation and amortisation	583	583
Decrease (increase) in Receivables	(86)	(44)
Decrease (increase) in Prepayments	9	(47)
Decrease (increase) in Inventories	2	0
Increase (decrease) in Employee entitlements	(102)	26
Increase (decrease) in Payables	187	(107)
Increase (decrease) in Other liabilities	0	1
Net cash from (used by) operating activities	1,723	194

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 2019 but not impaired	Past due 31 to 60 days	Past due over 60 days	Total
	\$'000	\$'000	\$'000
Receivables	1	2	3

Analysis of financial assets that are past due at 30 June 2018 but not impaired	Past due 31 to 60 days	Past due over 60 days	Total
	\$'000	\$'000	\$'000
Receivables	2	0	2

(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:

2019

	Maturity analysis for financial liabilities		
	1 Year	Undiscounted Total	Carrying Amount
	\$'000	\$'000	\$'000
Financial liabilities			
Payables	287	287	287
Other liabilities	18	18	18
Total	306	306	306

2018

	Maturity analysis for financial liabilities		
	1 Year	Undiscounted Total	Carrying Amount
	\$'000	\$'000	\$'000
Financial liabilities			
Payables	100	100	100
Other liabilities	20	20	20
Total	120	120	120

(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

	2019	2018
	\$'000	\$'000
Financial assets		
Cash and cash equivalents	106	106
Receivables	205	120
Total	311	226
Financial liabilities		
Payables	287	100
Other liabilities	18	20
Total	306	120

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

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 and Audit Act 1990*.

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, 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 7 Financial Instruments: Disclosures - the objective of this Standard is to require entities to provide disclosures in their financial statements that enable users to evaluate the significance of financial instruments for the entity's financial position and performance; and the nature and extent of risks arising from financial instruments to which the entity is exposed during the period and at the end of the reporting period, and how the entity manages those risks. The amendments to this Standard have resulted in a reconciliation being required where there is a reclassification of financial assets or liabilities resulting from the adoption of AASB 9. There is no financial impact.
- AASB 9 Financial Instruments - the objective of this Standard is to establish principles for the financial reporting of financial assets and financial liabilities that will present relevant information to users of financial statements for their assessment of the amounts, timing, uncertainty of an entity's future cash flows, and to make amendments to various accounting standards as a consequence of the issuance of AASB 9. AASB 9 has replaced accounting for impairment losses with a forward looking expected credit loss approach. The Department has applied AASB 9 retrospectively and has not restated comparative information which was reported under AASB 139. Any differences arising from the adoption of AASB 9 have been recognised directly to equity.

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

The following applicable Standards have been issued by the AASB and are yet to be applied:

- AASB 15 Revenue from Contracts with Customers – The objective of this Standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing, an uncertainty of revenue and cash flows arising from a contract with a customer. In accordance with 2015-8 Amendments to Australian Accounting Standards - Effective Date of AAS 15, this Standard applies to annual reporting periods beginning on or after 1 January 2019. Where an entity applies the Standard to an earlier annual reporting period, it will disclose that fact. The future impact is (specify retrospective approach and assessed impact). The financial impact is nil.
- 2014-5 Amendments to Australian Accounting Standards arising from AASB 15 – The objective of this Standard is to make amendments to Australian Accounting Standards and Interpretations arising from the issuance of AASB 15 Revenue from Contracts with Customers. This Standard applies when AASB 15 is applied, except that the amendments to AASB 9 (December 2009) and AASB 9 (December 2010) apply to annual reporting periods beginning on or after 1 January 2018. This Standard will be applied when AASB 15 is applied. The financial impact is nil.
- 2016-3 Amendments to Australian Accounting Standards - Clarifications to AASB 15 - The objective of this Standard is to clarify the requirements on identifying performance obligations, principal versus agent considerations and the timing of recognising revenue from granting a licence. This Standard applies to annual periods beginning on or after 1 January 2019. The impact is enhanced disclosure in relation to revenue. The financial impact is nil.
- AASB 16 Leases – The objective of this Standard is to introduce a single lessee accounting model and require a lessee to recognise assets and liabilities. This Standard applies to annual reporting periods beginning on or after 1 January 2019. The standard will result in most of the Department's operating leases being brought onto the Statement of Financial Position and additional note disclosures. The calculation of the lease liability will take into account appropriate discount rates, assumptions about the lease term, and required lease payments. A corresponding right to use asset will be recognised, which will be amortised over the term of the lease. There are limited exceptions relating to low-value leases and short-term leases. Operating lease costs will no longer be shown. The Statement of Comprehensive Income impact of the leases will be through amortisation and interest charges. The Department's current operating lease cost is shown at notes 7.1. In the Statement of Cash Flows, lease payments will be shown as cash flows from financing activities instead of operating activities. Further information on the Department's current operating lease position can be found at notes 7.1.
- AASB 1058 Income of Not-for-Profit Entities - The objective of this Standard is to establish principles for not-for-profit entities that apply 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. This Standard applies to annual reporting periods beginning on or after 1 January 2019. The impact is enhanced disclosure in relation to income of not-for-profit entities. The financial impact is nil.
- 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.