



LEGISLATURE-GENERAL  
TWENTY-THIRD ANNUAL REPORT  
YEAR 2011-12

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

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**LEGISLATURE-GENERAL**  
**TWENTY-THIRD ANNUAL REPORT**  
**YEAR 2011-12**

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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 2011-12 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

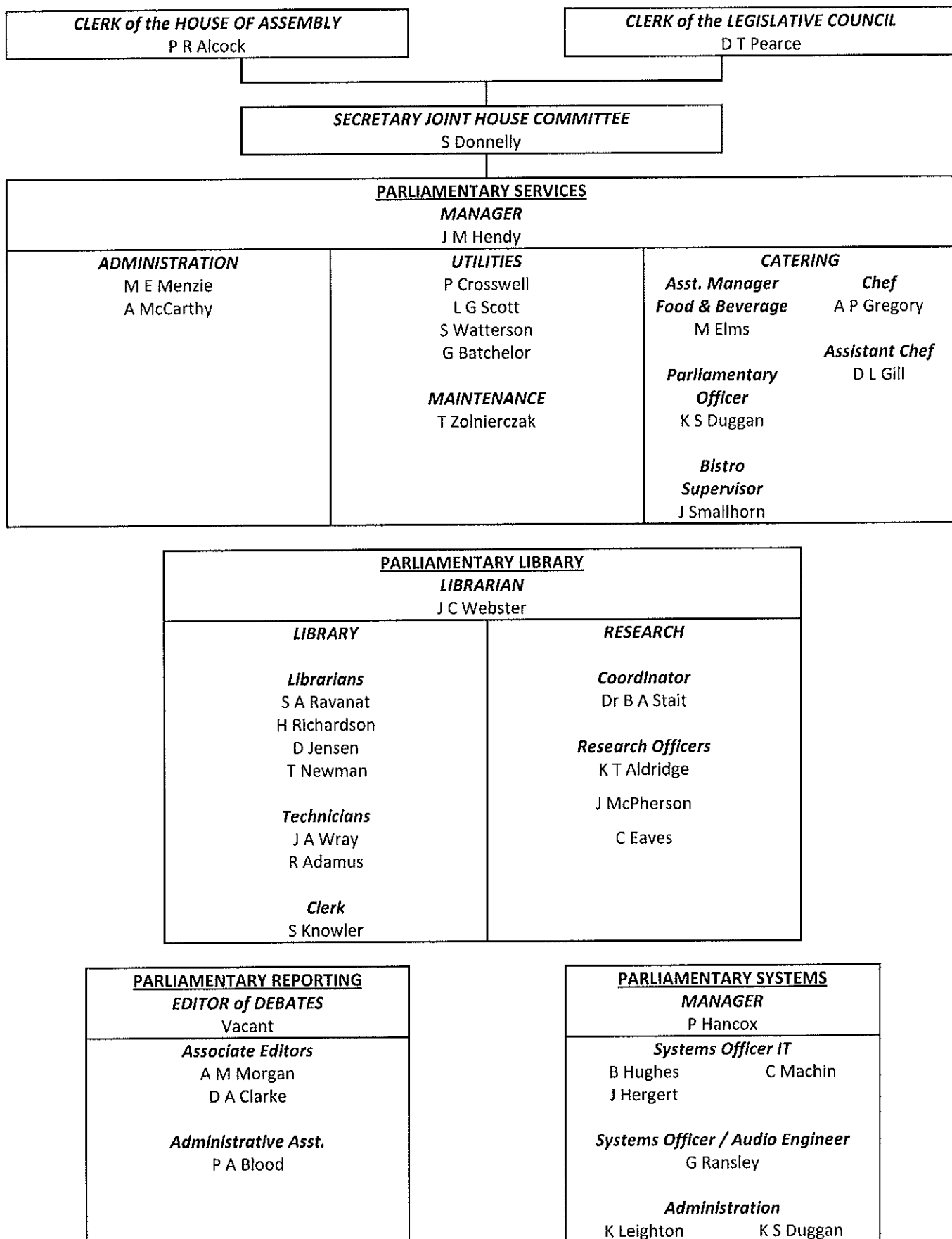
4.2 - Joint Management Services

4.3 - Services to Members

4.4 - Corporate Services for Parliament Agencies

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 2012:



## **HOUSE COMMITTEE**

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HOUSE COMMITTEE as at 30 June 2012

### Membership

#### **HOUSE OF ASSEMBLY**

**SPEAKER**  
(Hon. M R Polley)  
Chairman

Mr T B Morris

Mr M D Ferguson

#### **LEGISLATIVE COUNCIL**

**PRESIDENT**  
(Hon S L Smith)

Hon. P Harriss

Hon. C Farrell

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 2012, Mr Shane Donnelly, Sergeant at Arms, House of Assembly, held the position of Secretary.

## **Output 1 – PARLIAMENTARY REPORTING SERVICE**

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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, and two bound copies are produced for posterity – one for the State Library of Tasmania and one 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, an Associate Editor and one Supervisor of transcription typists/Office Manager. 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.

### Parliamentary Library Service

The Parliament establishes a Joint Library Committee at the commencement of every session consisting of six members from both Houses. The Deputy Clerk of the House of Assembly is the Secretary of the Committee.

The Parliamentary Librarian administers relevant policies concerning the library and information service on behalf of the Parliament and the Library Committee. The Parliamentary Librarian also administers the Parliamentary Museum.

The Parliamentary Librarian, with the assistance of the Research Co-ordinator, manages the operations of the Parliamentary Research Service (PRS). Four (4) research staff are employed by the Presiding Officers of Parliament to work as part of the combined library and research service.

The current staff of the Parliamentary Library and Parliamentary Research Service includes:

#### **LIBRARY**

Parliamentary Librarian  
Resources Access and Development Librarian  
(0.6)  
Client Services Librarian (0.7)  
E-Services Librarian (0.45)  
Library Technicians & Clerk [2.4]

#### **PRS**

Research Co-ordinator  
Research Officers [3]

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, from library collections, electronic resources and specific services designed to assist them in the performance of their duties.

To meet these functional aims and objectives the library and research service offers a wide range of library services, including several unique services. The following is a brief list of the general Library services available:

- Specialised reference services
- Individualised services for Members
- Weekly online current awareness service of articles of topical interest
- Inter-Library Loans and document delivery
- Access and referral services to special information sources including electronic resources
- Information support for committees
- Library training and education for Members and their staff
- Internet resources (many generated by Library & PRS staff).

Some of the specialised services include:

#### *Newspaper Clippings:*

Major Tasmanian daily papers are scanned for political items which are indexed by subject and by mention of individual Members onto a database

and made available on the Parliament's Intranet. Tasmanian current affairs content in The Australian is included on the database and media releases are also indexed. The database began in 2004 and is fully searchable.

#### *Television Monitoring*

News broadcasts are captured daily (and *Stateline*), and are available for replay or dubbing. The news services are available for viewing on the Parliament Intranet daily. Transcripts can be provided on request.

#### *Radio Monitoring:*

ABC Radio broadcasts are captured Monday to Friday 6 am to 6 pm in the south and 6 am to 8 am and 2 pm to 6 pm in the north of the state in line with local programme variations. Audio clips can be emailed to members and their staff. Transcripts can be provided on request.

#### *Websites*

The Library and Research Service maintain comprehensive web sites that contain factual and historical information on the Parliament of Tasmania. Access to these services is available from the Parliament's homepage at <http://www.parliament.tas.gov.au>

#### *In-House Databases:*

*Questions by Members* - in both houses from Hansard

*Passage of Bills Register* – monitoring the passage of Bills through the Parliament and including full-text extrinsic material

*Parliamentary Papers Index* - from 1894 to date. Retrospective indexing is continuing.

*Members database* – biographical information on Members from 1856

*Current Awareness Readings* – resources relating to current issues are available on the intranet. A weekly *New@the Library* is emailed to Members and staff.

The Parliamentary Library service undertook 2,361 reference enquiries for year 2011-12. 24,052 items were indexed for the electronic newspaper clippings service.



## Parliamentary 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:

- Research Notes: Confidential personal research
- Research Papers: Longer research papers on request
- Intranet: Statistics and research documents
- Committees: Research support for Parliamentary committees
- Current Awareness Reading: Assist the Library in compiling *New @ the Library*.

The PRS continues to provide timely responses and detailed analysis to its client group, which not only includes Members of Parliament, their staff and committees of both Houses.

There was a 17% decrease in requests received and completed, from 701 in 2010-2011 to 583 in 2011-12. 230 of these were more complex and time consuming written requests. There were 101 oral briefings and 252 other requests, including committee support. During 2011-12 there was a high level of activity by both House of Assembly and Legislative Council committees. The PRS maintains extensive information resources both on the Parliamentary Intranet and other databases. These databases assist with providing rapid responses to many frequent requests by PRS staff and also enable the clients to obtain information at any time on the Parliamentary Intranet.

During 2011-12 Vena Boman retired and Cassandra Eaves was recruited to fill the role of Research Specialist (Economics and Statistics). Also during the entire period of 2011-12 a Research Officer (General Policy) position has not been filled.

Considerable resources to support committees have been required during 2011-12, with all officers providing committees with background research and specialist advice as required.

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 2011-12 ten students took part on the scheme.

## Output 3.2 – PARLIAMENTARY COMPUTER SERVICES

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- Completed 4913 helpdesk jobs for the financial year.
- With a successful Telstra TIPT trial completed and demonstrated 50% savings on line rental and reduced call costs we have converted half of Parliament House Spectrum services over to TIPT.
- Continued implementation of restructured network to incorporate a private IP range and redesign of existing Vlan's.
- Developed an in-house interface using ISYS Search engine for committee documentation distribution.
- Added additional 20 users to the NextG Wireless IP Gateway allowing Iphone and Ipad users' access to the Parliament Intranet.
- Setup Electorate Offices for the Member for Elwick in Glenorchy and the Member for Derwent in New Norfolk.
- Setup 2 x NAS for Broadcast clip archiving.
- Setup Windows Server 2008 NAS/Cache Box for Legislative Council electorate Office.
- Relocated Member for Murchison electorate office from 19 Goldie Street to 120 Goldie Street.
- Converted electorate office network connections from managed BDSL 1000/1000 to managed ADSL 20000/1000 links.
- Installed wireless duress alarms in each Legislative Council electoral office.
- Installed network Multifunction Centre with scan to email for Member for Montgomery's office included restructure of existing network infrastructure.
- Upgraded 56 computers and laptops, 12 Apple I-pad's and 15 Apple I-phone's within the Parliament system.
- Converted our in-house chamber television broadcast from analogue to digital.
- Upgrading anti-virus central management system to new fileserver.
- Upgraded our existing Microsoft Exchange 2003 system to Microsoft Exchange 2010, including hardware.
- Through the Commonwealth Parliamentary Association provided Hansard Audio, Network and computer consultancy to the Samoan Parliament.
- Upgraded our Tipping Point Intrusion Prevention Packet Inspection system.

- Replaced audio system in Reception Room.
- Upgraded microphones and audio system in Committee Room 2 from a four channel system to a 12 channel system.

## **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 money for the public monies expended.

No contract valued over \$50,000 was tendered.

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

| Contractor | Location | Project | Period | Value |
|------------|----------|---------|--------|-------|
| NIL        |          |         |        |       |

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**

The Parliament identifies the overall risk management strategy together with other occupational health and safety issues.

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

Risk 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, such as eye testing for users of screen-based equipment, to ensure the safety and well-being of staff. Parliament House is currently the subject of a 'Strategic Asset Management Plan' being undertaken by Freeman Firth Conservation Architects and Planners. Occupational health and safety matters have and will continue to be considered in some detail within this plan.

### **Asset Management**

The Legislature-General accounting procedures prescribe the management processes to be followed in relation to the Inventory and Asset Register.

**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 running of the catering needs of Parliament. The permanent staff are supplemented by casual waiting and kitchen help during sitting periods and functions.

Two dining rooms for Members and guests and a staff bistro are operated by the Service. Functions are also catered for in the reception 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.

In spite of the long hours during sitting periods, and functions catered for, the staff provided an efficient service coupled with a high standard of production.

## 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 when the 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:**

Hon. A. P. Harriss MLC (Chairman); Hon. G. R. Hall MLC (Deputy Chairman); Mr K. D. Booth MP; Mr A. R. Brooks MP; Ms R. White MP.

### **Staff:**

Secretary, Mr Shane Donnelly

### **Reports:**

- Tasmanian Museum and Art Gallery
- Port Sorell Primary School
- Wellington Centre: Fit Out and Air Bridge for Ambulatory Clinics
- Mud Walls Secondary Road – Road Reinstatement
- North West Regional Hospital Multi Storey Carpark and Road Realignment
- West Tamar Highway Near Brady's Lookout
- Mathinna/Evercreech Bridge Replacement
- North West Cancer Care Centre

### **Meetings:**

During the reporting period, the Committee met on eleven occasions, such meetings being held in Burnie; Launceston; Port Sorell; and Hobart.

## 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.

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

During 2011-2012 the Committee held twelve (12) meetings and examined sixty seven (67) 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 relation to regulations imposing significant increases in fees, explanations of some provisions and other issues of concern.

During the year the Committee received briefings from Departmental officers in relation to the following regulations –

- Health (Fees) Amendment Regulations (No. 3) 2011
- Crown Lands Regulations (No. 116) 2011
- Traffic (Compliance and Enforcement) Regulations (No. 121) 2011
- Agricultural and Veterinary Chemicals (Control of Use) Regulations (No. 10) 2012

The briefings provided Members with further details and clarification of specific issues. The Regulations were subsequently passed as 'Examined' by the Committee.

The Auditor-General met with the Committee in relation to regulatory impact analysis and the Committee was also briefed by officers from the Department of Treasury and Finance regarding the use in regulations of fee units and dollar amounts.

## **Regulatory Impact Analysis**

The Committee Chair and Secretary met with representatives of the Productivity Commission on 14 March 2012 to discuss the Commission's study into Regulatory Impact Analysis: Benchmarking. The Committee subsequently agreed to provide a submission to the study.

The Committee's submission raised several concerns regarding areas in the Productivity Commission's Issues Paper considered relevant to its jurisdiction. In particular, the frequent provision of exemptions from the requirement of regulatory impact analysis, was highlighted.

Following on from the Committee's submission, the Chair wrote to the Treasurer requesting that further information be provided when exemptions relating to RIA are granted by the Secretary of the Department of Treasury and Finance.

### ***Committee Membership***

#### **Legislative Council**

Hon Ruth Forrest (Chair)  
Hon Tania Rattray (Deputy Chair)  
Hon Doug Parkinson (to May 2012)  
Hon Adriana Taylor (from May 2012)

#### **House of Assembly**

Ms Elise Archer  
Mr Tim Morris  
Mr Graeme Sturges



## **Joint Standing Committee of Public Accounts**

The Public Accounts Committee is a joint standing committee of the Tasmanian Parliament constituted under the *Public Accounts Committee Act 1970*.

The Committee comprises six Members of Parliament, three members drawn from the Legislative Council and three members from the House of Assembly.

Its functions under the Public Accounts Committee Act (Section 6) are to inquire into, consider and report to 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;
- 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 Public Accounts Committee (PAC) also has oversight responsibilities regarding independence of the Auditor-General, which are derived from the Audit Act 2008.

### **Committee Membership**

#### **Legislative Council**

Hon Ivan Dean MLC  
Hon Jim Wilkinson MLC (Chairman)  
Hon Ruth Forrest MLC

#### **House of Assembly**

Mr Brenton Best MP  
Mr Kim Booth MP  
Mr Peter Gutwein MP

The Parliamentary Research Service has assisted the Committee during the year, providing timely and valuable research assistance when requested.

### **Committee Activity**

The Committee operations include a mix of self-initiated inquiries and referred inquiries. The Committee receives submissions and conducts briefings and hearings on such matters as required. Results of inquiries are presented in reports that are tabled in both the House of Assembly and the Legislative Council. Those reports are available to the public and are posted on the Committee website <http://www.parliament.tas.gov.au/ctee/Joint/pacc.htm>. The Committee met on seventeen occasions during 2011-12.

Two reports were tabled during the year. The Committee's reports on (i) the review of Public Works Committee Approved projects dated May 2008 – March 2009 and (ii) review of the Hazelwood School Relocation project were tabled in Parliament House on 17 May 2012 in the Legislative Council and the House of Assembly.

The commitment by PAC to enhance the accountability mechanisms of the Parliament, is demonstrated by the Committee's renewal of the Statement of Understanding between itself and the Auditor-General of Tasmania in March, 2012. This Statement was updated from 2007, as a consequence of the commencement of the *Audit Act 2008* in March 2009 and the decision by the Committee to take a more proactive role in following up reports issued by the Auditor-General.

During 2012, the Committee implemented a framework for following up Special Reports of the Auditor-General and is due to issue its first report on the basis of that framework early in 2012-13. A separate Committee-initiated Inquiry into the Performance Information reported by government departments, as a result of a follow up of the Auditor-General's Special Report #72, is also ongoing. The Committee has also initiated an Inquiry into the Public Account which will be continuing in the coming year. The Committee also followed up other matters of interest referred to it by independent persons. No Inquiry was initiated in those instances.

The Committee has continued to meet periodically with the Auditor-General and as a consequence of the requirements of the Audit Act has reviewed and made recommendations in relation to the Auditor-General's Annual Plan of work 2012-13.

The Committee held a number of briefings on other matters of interest including briefings from the Auditor-General on his Special Reports #82 -86 and in relation to his Analysis of the Treasurer's Annual Financial Report 2010-2011. The PAC Committee also received a briefing from Treasury officials with respect to the Financial Management and Audit Amendment Bill 2012.

## **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 2012

| <b>Output</b>  |                                 | <b>Employees</b> |                  |                  | <b>FTE</b>   |
|----------------|---------------------------------|------------------|------------------|------------------|--------------|
|                |                                 | <b>Permanent</b> | <b>Part Time</b> | <b>Sessional</b> |              |
| 1              | Parliamentary Reporting Service | 4.0              |                  | 4.0              | 8.0          |
| 2              | Parliamentary Library           | 8.0              | 2.4              |                  | 10.4         |
| 3.2            | Parliamentary Systems           | 4.0              | 0.2              |                  | 4.2          |
| 4.1            | Building Operations             | 5.0              |                  | 0.2              | 5.2          |
| 4.2            | Joint Management                | 2.0              | 0.8              |                  | 2.8          |
| 4.2            | Catering                        | 4.0              | 0.8              | 5.7              | 10.5         |
| <b>Totals:</b> |                                 | <b>27.0</b>      | <b>4.2</b>       | <b>10.0</b>      | <b>41.10</b> |

### **Staff Separations**

During the course of the year there were three voluntary 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:-

73.33% of staff are women;

0.00% of staff are Aboriginal or of Torres Strait Islander descent;

0.00% of staff are disabled.

### Industrial Democracy

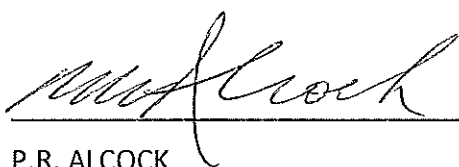
Legislature-General has a co-operative approach to decision making. The size of the department allows for direct and immediate consultation between staff and executive officers. Formal channels of conflict resolution are accessible by staff of Legislature-General.

### Occupational Health and Safety

Occupational health and safety is a principal management consideration of Legislature-General, with the provision of equipment, facilities and programs, such as eye testing for users of screen-based equipment, to ensure the safety and well being of staff. Parliament House is currently the subject of a 'Strategic Asset Management Plan' being undertaken by Freeman Firth Conservation Architects and Planners. Occupational health and safety matters have and will continue to be considered in some detail within this plan.

### Superannuation Declaration

We, David Thomas Pearce and Peter Reginald Alcock, 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.



P.R. ALCOCK

Clerk of the House of Assembly



D.T. PEARCE

Clerk of the Legislative Council



LEGISLATURE-GENERAL  
FINANCIAL STATEMENTS  
YEAR ENDED 30 JUNE 2012

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**Tasmanian  
Audit Office**

Level 4, Executive Building, 15 Murray Street, Hobart, Tasmania, 7000  
Postal Address: GPO Box 851, Hobart, Tasmania, 7001  
Phone: 03 6226 0100 | Fax: 03 6226 0159  
Email: [admin@audit.tas.gov.au](mailto:admin@audit.tas.gov.au)  
Web: [www.audit.tas.gov.au](http://www.audit.tas.gov.au)

## **Independent Auditor's Report**

**To Members of the Parliament of Tasmania**

**Legislature-General**

**Financial Statements for the Year Ended 30 June 2012**

I have audited the accompanying financial statements of Legislature-General, which comprise the statement of financial position as at 30 June 2012, the statements of comprehensive income, changes in equity and cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the statement by the Clerk of the Legislative Council and the Clerk of the House of Assembly (the Clerks).

### **Auditor's Opinion**

In my opinion the Legislature-General's financial statements:

- (a) present fairly, in all material respects, its financial position as at 30 June 2012, and its financial performance, cash flows and changes in equity for the year then ended; and
- (b) are in accordance with the *Financial Management and Audit Act 1990* and Australian Accounting Standards.

### *The Responsibility 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 Section 27 (1) of the *Financial Management and Audit Act 1990*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### *Auditor's Responsibility*

My responsibility is to express an opinion on the financial statements based upon my audit. My audit was conducted in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement.

...1 of 2

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*

## Independent Audit Report

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Clerks' preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Legislature-General's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Clerks, as well as evaluating the overall presentation of the financial statements.

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

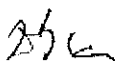
My audit is not designed to provide assurance on the accuracy and appropriateness of the budget information in the Legislature-General's financial statements.

### **Independence**

In conducting this audit, I have complied with the independence requirements of Australian Auditing Standards and other relevant ethical requirements. The *Audit Act 2008* further promotes Independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of State Entities but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Tasmanian Audit Office are not compromised in their role by the possibility of losing clients or income.

### **Tasmanian Audit Office**



H M Blake  
Auditor-General

HOBART  
26 September 2012

...2 of 2

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*

## Certification of Financial Statements

---

The accompanying Financial Statements of Legislature-General are in accordance with the relevant accounts and records and have been prepared in compliance with 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 2012 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.



P.R. Alcock

Clerk of the House of Assembly

Date: 13 / 8 / 12



D.T. Pearce

Clerk of the Legislative Council

Date: 13 / 08 / 12



**Legislature-General Statement of Comprehensive Income for the year ended 30 June 2012**

|   | Notes       | 2012<br>Budget<br>\$'000 | 2012<br>Actual<br>\$'000 | 2011<br>Actual<br>\$'000 |
|---|-------------|--------------------------|--------------------------|--------------------------|
| <b>Continuing operations</b>  |             |                          |                          |                          |
| <b>Revenue and other income from transactions</b>                     |             |                          |                          |                          |
| Revenue from Government   |             |                          |                          |                          |
| Appropriation revenue - recurrent                                     | 1.6(a), 5.1 | 5,710                    | 6,001                    | 5,690                    |
| Sales of goods and services   | 1.6(b), 5.2 | 172                      | 377                      | 384                      |
| Other revenue   | 1.6(c), 5.3 | 0                        | 190                      | 235                      |
| <b>Total revenue and other income from transactions</b>               |             | <b>5,882</b>             | <b>6,568</b>             | <b>6,309</b>             |
| <b>Expenses from transactions</b>                                     |             |                          |                          |                          |
| Employee benefits   | 1.7(a), 6.1 | 3,043                    | 3,373                    | 3,229                    |
| Depreciation and amortisation   | 1.7(b), 6.2 | 588                      | 618                      | 587                      |
| Cost of goods sold  |             | 0                        | 274                      | 282                      |
| Supplies and consumables  | 6.3         | 2,576                    | 2,557                    | 2,718                    |
| Grants and subsidies  | 1.7(c), 6.4 | 59                       | 51                       | 51                       |
| Other expenses  | 6.5         | 164                      | 197                      | 136                      |
| <b>Total expenses from transactions</b>                               |             | <b>6,430</b>             | <b>7,070</b>             | <b>7,003</b>             |
| <b>Net result from transactions (net operating balance)</b>           |             | <b>(548)</b>             | <b>(502)</b>             | <b>(694)</b>             |
| <b>Other economic flows - Other Non Owner Changes in Equity</b>       |             |                          |                          |                          |
| Change in Asset Revaluation Reserve                                   | 10.1        | 0                        | 0                        | 205                      |
| <b>Total Other economic flows - Other Non Owner Changes in Equity</b> |             | <b>0</b>                 | <b>0</b>                 | <b>205</b>               |
| <b>Total Comprehensive Result</b>                                     |             | <b>(548)</b>             | <b>(502)</b>             | <b>(489)</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 4.1 of the accompanying notes.

**Legislature-General Statement of Financial Position as at 30 June 2012**

|                               | Notes        | 2012<br>Budget<br>\$'000 | 2012<br>Actual<br>\$'000 | 2011<br>Actual<br>\$'000 |
|-------------------------------|--------------|--------------------------|--------------------------|--------------------------|
| <b>Assets</b>                 |              |                          |                          |                          |
| <i>Financial assets</i>       |              |                          |                          |                          |
| Cash and deposits             | 1.8(a), 11.1 | 18                       | 61                       | 57                       |
| Receivables                   | 1.8(b), 7.1  | 75                       | 94                       | 83                       |
| <i>Non-financial assets</i>   |              |                          |                          |                          |
| Inventories                   | 1.8(c), 7.2  | 41                       | 26                       | 42                       |
| Property, plant and equipment | 1.8(d), 7.3  | 30,310                   | 30,543                   | 31,122                   |
| Other assets                  | 7.4          | 10                       | 16                       | 2                        |
| <b>Total assets</b>           |              | <b>30,454</b>            | <b>30,740</b>            | <b>31,306</b>            |
| <b>Liabilities</b>            |              |                          |                          |                          |
| Payables                      | 1.9(a), 8.1  | 128                      | 196                      | 294                      |
| Employee benefits             | 1.9(c), 8.2  | 738                      | 851                      | 817                      |
| Other liabilities             | 8.3          | 36                       | 36                       | 36                       |
| <b>Total liabilities</b>      |              | <b>902</b>               | <b>1,083</b>             | <b>1,147</b>             |
| <b>Net assets</b>             |              | <b>29,552</b>            | <b>29,657</b>            | <b>30,159</b>            |
| <b>Equity</b>                 |              |                          |                          |                          |
| Reserves                      | 10.1         | 19,500                   | 19,705                   | 19,705                   |
| Accumulated funds             |              | 10,052                   | 9,952                    | 10,454                   |
| <b>Total equity</b>           |              | <b>29,552</b>            | <b>29,657</b>            | <b>30,159</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 4.2 of the accompanying notes.

Legislature-General Statement of Cash Flows for the year ended 30 June 2012

|   | Notes | 2012<br>Budget<br>\$'000 | 2012<br>Actual<br>\$'000 | 2011<br>Actual<br>\$'000 |
|---|-------|--------------------------|--------------------------|--------------------------|
| <b>Cash flows from operating activities</b>                       |       | Inflows<br>(Outflows)    | Inflows<br>(Outflows)    | Inflows<br>(Outflows)    |
| <b>Cash inflows</b>   |       |                          |                          |                          |
| Appropriation receipts - recurrent                                |       | 5,710                    | 6,001                    | 5,690                    |
| Sales of goods and services                                       |       | 172                      | 364                      | 406                      |
| GST receipts  |       | 364                      | 360                      | 400                      |
| Other cash receipts   |       | 0                        | 190                      | 236                      |
| <b>Total cash inflows</b>   |       | <b>6,246</b>             | <b>6,915</b>             | <b>6,732</b>             |
| <b>Cash outflows</b>  |       |                          |                          |                          |
| Employee benefits   |       | (2,756)                  | (3,123)                  | (2,772)                  |
| Superannuation  |       | (277)                    | (295)                    | (270)                    |
| GST payments  |       | (364)                    | (357)                    | (419)                    |
| Supplies and consumables  |       | (2,576)                  | (2,312)                  | (2,448)                  |
| Other cash payments   |       | (223)                    | (784)                    | (664)                    |
| <b>Total cash outflows</b>  |       | <b>(6,196)</b>           | <b>(6,871)</b>           | <b>(6,573)</b>           |
| <b>Net cash from (used by) operating activities</b>               | 11.2  | <b>50</b>                | <b>44</b>                | <b>159</b>               |
| <b>Cash flows from investing activities</b>                       |       |                          |                          |                          |
| <b>Cash outflows</b>  |       |                          |                          |                          |
| Payments for acquisition of non-financial assets                  |       | (50)                     | (40)                     | (120)                    |
| <b>Total cash outflows</b>  |       | <b>(50)</b>              | <b>(40)</b>              | <b>(120)</b>             |
| <b>Net cash from (used by) investing activities</b>               |       | <b>(50)</b>              | <b>(40)</b>              | <b>(120)</b>             |
| <b>Net increase (decrease) in cash and cash equivalents held</b>  |       | <b>0</b>                 | <b>4</b>                 | <b>39</b>                |
| <b>Cash and deposits at the beginning of the reporting period</b> |       | <b>18</b>                | <b>57</b>                | <b>18</b>                |
| <b>Cash and deposits at the end of the reporting period</b>       | 11.1  | <b>18</b>                | <b>61</b>                | <b>57</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 4.3 of the accompanying notes.

**Legislature-General Statement of Changes in Equity for the year ended 30 June 2012**

|                                   | Asset<br>Revaluation<br>Reserve<br>\$'000 | Accumulated<br>Funds<br>\$'000 | Total<br>Equity<br>\$'000 |
|-----------------------------------|---|--------------------------------|---------------------------|
| <b>Balance as at 1 July 2011</b>  | 19,705                                    | 10,454                         | 30,159                    |
| Total comprehensive result        | 0   | (502)                          | (502)                     |
| <b>Balance as at 30 June 2012</b> | <b>19,705</b>                             | <b>9,952</b>                   | <b>29,657</b>             |

|                                   | Asset<br>Revaluation<br>Reserve<br>\$'000 | Accumulated<br>Funds<br>\$'000 | Total<br>Equity<br>\$'000 |
|-----------------------------------|---|--------------------------------|---------------------------|
| <b>Balance as at 1 July 2010</b>  | 19,500                                    | 11,148                         | 30,648                    |
| Total comprehensive result        | 205                                       | (694)                          | (489)                     |
| <b>Balance as at 30 June 2011</b> | <b>19,705</b>                             | <b>10,454</b>                  | <b>30,159</b>             |

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

## NOTE 1 Significant Accounting Policies

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### 1.1 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.

### 1.2 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 Clerks of the Houses on 13<sup>th</sup> August 2012.

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 1.5.

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.

### 1.3 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.

## 1.4 Functional and Presentation Currency

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

## 1.5 Changes in Accounting Policies

### (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 1054 Australian Additional Disclosures – This Standard in conjunction with AASB 2011-1 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project, removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards. There is no financial impact.

AASB 2009-12 Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052] – This Standard makes editorial amendments to a range of Australian Accounting Standards and Interpretations. There is no financial impact.

AASB 2010-4 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASBs 1, 7, 101, & 134 and Interpretation 13] – This Standard amends a range of Australian Accounting Standards and Interpretation as a consequence of the annual improvements project.

The amendments to AASB 7 clarify financial instrument disclosures in relation to credit risk. The carrying amount of financial assets that would otherwise be past due or impaired, whose terms have been renegotiated, is no longer required to be disclosed. There is no financial impact.

The amendments to AASB 101 clarify the presentation of the Statements of Changes in Equity. The disaggregation of other comprehensive income reconciling the carrying amount at the beginning and the end of the period for each component of equity is no longer required. There is no financial impact.

AASB 2010-5 Amendments to Australian Accounting Standards [AASBs 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1042] – This Standard makes editorial amendments to a range of Australian Accounting Standards. There is no financial impact.

AASB 2010-6 Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets [AASBs 1 & 7] – This Standard introduces additional disclosure relating to transfers of financial assets in AASB 7. An entity shall disclose all transferred financial assets that are not derecognised and any continuing involvement in a transferred asset, existing at the reporting date, irrespective of when the related transfer transaction occurred. There is no financial impact.

AASB 2011-1 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project [AASBs 1, 5, 101, 107, 108, 121, 128, 132 & 134 and Interpretations 2, 112 & 113] – this Standard, in conjunction with AASB 1054, removes disclosure requirements from other Standards and incorporates them in a single Standards to achieve convergence between Australian and New Zealand Accounting Standards. There is no financial impact.

AASB 2011-15 Amendments to Australian Accounting Standards – Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation [AASBs 127, 128 & 131] – this Standard extends the relief from consolidation, the equity method and proportionate consolidation by removing the requirement for the consolidated financial statements

prepared by the ultimate or any intermediate parent entity to be IFRS compliant, provided that the parent entity, investor or venturer and the ultimate or intermediate parent entity are not-for-profit non-reporting entities that comply with Australian Accounting Standards. There is no financial impact.

**(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 9 *Financial Instruments* – This Standard supersedes AASB 139 *Financial Instruments: recognition and Measurement*, introducing a number of changes to accounting treatments. The Standard was reissued in December 2010. The Department has not yet determined the potential financial impact of the standard.

AASB 10 *Consolidated Financial Statements* – This Standard supersedes requirements under AASB 127 *Consolidated and Separate Financial Statements* and Interpretation 112 *Consolidation – Special Purpose Entities*, introducing a number of changes to accounting treatments. The standard was issue in August 2011. The Department has not yet determined the application or the potential impact of the Standard.

AASB 11 *Joint arrangements* – this Standard supersedes AASB 131 *Interest in Joint Ventures*, introducing a number of changes to accounting treatments. The Standard was issued in August 2011. The Department has not yet determined the application or the potential impact of the Standard.

AASB 12 *Disclosure of Interests in Other Entities* – This Standard supersedes disclosure requirements under AASB 127 *Consolidated and Separate Financial Statements* and AASB 131 *Interests in Joint Ventures*. The Standard was issue in August 2011. The Department has not yet determined the application or the potential impact of the Standard.

AASB 13 *Fair Value Measurement* – This Standard defines fair value, sets out a framework for measuring fair value and requires disclosures about fair value measurements. There is no financial impact.

AASB 119 *Employee Benefits* – This Standard supersedes AASB 119 *Employee Benefits*, introducing a number of changes to accounting treatments. The Standard was issued in September 2011. The Department has not yet determined the application or the potential impact of the Standard.

AASB 127 *Separate Financial Statements* – This standard supersedes requirements under AASB 127 *Consolidated and Separate Financial Statements*, introducing a number of changes to accounting treatments. The Standard was issue in August 2011. The Department has not yet determined the application or the potential impact of the Standard.

AASB 128 *Investments in Associates and Joint Ventures* – This Standard supersedes AASB 128 *Investments in Associates* and introduces a number of changes to accounting treatments. The Standard was issue in August 2011. The Department has not yet determined the application or the potential impact of the Standard.

AASB 1053 *Application of Tiers of Australian Accounting Standards* – This Standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements. The Standard does not have any financial impact on the Department. However, it may affect disclosures if reduced disclosure requirements apply.

AASB 2010-2 *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements* [AASBs 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050, & 1052 and Interpretations 2, 4, 5, 15, 17, 127, 129, & 1052] – This Standard makes amendments to Australian accounting Standards and Interpretations to introduce reduced disclosure requirements for certain types of entities. There is no financial impact.

AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASBs 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19, & 127] – This Standard makes consequential amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB in December 2010. It is not anticipated that there will be any financial impact.

AASB 2011-2 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project – Reduced Disclosure Requirements [AASBs 101 & 1054] – This Standard makes amendments to introduce reduced disclosure requirements for certain types of entities. There is no expected financial impact of applying these changes, as the Department is a Tier 1 entity.

AASB 2011-6 Amendments to Australian Accounting Standards – Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation – Reduced Disclosure Requirements [AASBs 127, 128 & 131] – This Standard extends relief from consolidation, the equity method and proportionate consolidation by removing the requirement for the consolidated financial statements prepared by the ultimate or any intermediate parent entity to be IFRS compliant, provided that the parent entity, investor or venturer and the ultimate or intermediate parent entity comply with Australian Accounting Standards or Australian Accounting Standards – Reduced Disclosure Requirements. It is not expected to have a financial impact.

AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASBs 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 and 17] – This Standard replaces the existing definition and fair value guidance in other Australian Accounting Standards and Interpretations as the result of issuing AASB 13 in September 2011. It is not expected to have a financial impact.

AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13 [AASBs 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132] – This Standard replaces the existing definition of fair value guidance in other Australian Accounting Standards and Interpretations as the result of issuing AASB 13 in September 2011. There is no expected financial impact.

AASB 2011-9 Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income [AASBs 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049] – This Standard requires to group items presented in other comprehensive income on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). It is not expected to have a financial impact.

AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) [AASBs 1, 8, 101, 124, 134, 1049 & 2011-8 and Interpretations 14] – This Standard makes amendments to other Australian Accounting Standards and Interpretation as a result of issuing AASB 119 Employee Benefits in September 2011. It is not expected to have a financial impact.

AASB 2011-11 *Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements* – This Standard gives effect to Australian Accounting Standards – Reduced Disclosure Requirements for AASB 119 (September 2011). There is no financial impact.

The adoption of these Standards is estimated to result in no financial impact on Legislature-General.



## **1.6 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.

### **(a) Appropriation Revenue**

Appropriations, whether recurrent or capital, are recognised as revenues in the period in which Legislature-General gains control of the appropriated funds.

### **(b) 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.

### **(c) Other Revenue**

Revenues are recognised when they are controlled by Legislature-General.

## **1.7 Expenses from transactions**

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

### **(a) 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.

### **(b) Depreciation and amortisation**

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. Major depreciation periods are:

Land and heritage and cultural assets are not depreciated.

Buildings 100 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

Furniture and Fittings 5 years

### **(c) 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.

## **1.8 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.

### **(a) Cash and deposits**

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. Deposits are recognised at amortised cost, being their face value.

### **(b) Receivables**

Receivables are recognised at amortised cost, less any impairment losses. Due to the short settlement period, receivables are not discounted back to their present value.

### **(c) 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.

## **(d) Property, plant, equipment and infrastructure**

### *(i) Valuation basis*

Land, buildings, infrastructure, heritage and cultural assets and other long-lived 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.

### *(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 heritage and cultural assets are revalued on a 3 yearly basis. Antique furniture was revalued as at 9 August 2010 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 August 2010 and were independently conducted. Artworks were valued by Mr W N Hurst (Director, Masterpiece Gallery) and the Mace in February 2009 by Mr P Thomson R.J. dip F.G.A.(London). 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.

## **1.9 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.

### **(a) 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.

## **(b) Provisions**

A provision arises if, as a result of a past event, Legislature-General has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and the risks specific to the liability. Any right to reimbursement relating to some or all of the provision is recognised as an asset when it is virtually certain that the reimbursement will be received.

## **(c) 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 2012, 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.

## **(d) Superannuation**

No superannuation liability is recognised for the accruing superannuation benefits of Legislature-General employees. This liability is held centrally and recognised within the Finance General Division of the Department of Treasury and Finance.

During the reporting period, Legislature-General paid 12.3% of salary in respect of contributory members of the Retirement Benefits Fund into the Superannuation Provision Account within the Special Deposits and Trust Fund. Legislature General paid the appropriate Superannuation Guarantee Charge into the nominated superannuation fund in respect of non-contributors.

### **1.10 Leases**

Legislature-General has entered into a number of operating lease agreements for property, plant and 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.

### **1.11 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.

### **1.12 Comparative Figures**

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

### **1.13 Budget Information**

Budget information refers to original estimates as disclosed in the 2011-12 Budget Papers and is not subject to audit.

### **1.14 Rounding**

All amounts in the Financial Statements have been rounded to the nearest thousand dollars, unless otherwise stated. Where the result of expressing amounts to the nearest thousand dollars would result in an amount of zero, the financial statement will contain a note expressing the amount to the nearest whole dollar.

### **1.15 Legislature-General Taxation**

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

### **1.16 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.

### **1.17 Judgements and Assumptions**

In the application of Australian Accounting Standards, Legislature-General is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by Legislature-General that have significant effects on the Financial Statements are disclosed in the relevant notes to the Financial Statements, such as Note 1.8(d) and 1.9(c).

Legislature-General has made no assumptions concerning the future that may cause a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

### **NOTE 2 Events Occurring after Balance Date**

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There have been no events subsequent to balance date which would have a material effect on Legislature-General's financial statements as at 30 June 2012.

**Note 3 Legislature-General Output Schedules****3.1 Output Group Information**

Comparative information has not been restated for external administrative restructures.

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

**Output Group 1 – Parliamentary Reporting Service**

|  | 2012<br>Budget<br>\$'000 | 2012<br>Actual<br>\$'000 | 2011<br>Actual<br>\$'000 |
|--|--------------------------|--------------------------|--------------------------|
| <b>Continuing operations</b>   |                          |                          |                          |
| <b>Revenue and other income from transactions</b>                            |                          |                          |                          |
| Revenue from appropriation   | 1,008                    | 830                      | 870                      |
| <b>Total revenue and other income from transactions</b>                      | <b>1,008</b>             | <b>830</b>               | <b>870</b>               |
| <b>Expenses from transactions</b>  |                          |                          |                          |
| Employee benefits  | 900                      | 886                      | 825                      |
| Supplies & consumables   | 51                       | 55                       | 40                       |
| Other expenses   | 57                       | 45                       | 31                       |
| <b>Total expenses from transactions</b>                                      | <b>1,008</b>             | <b>986</b>               | <b>896</b>               |
| <b>Net operating result from continuing operations</b>                       | <b>0</b>                 | <b>(156)</b>             | <b>(26)</b>              |
| <b>Comprehensive result</b>  | <b>0</b>                 | <b>(156)</b>             | <b>(26)</b>              |
| <b>Expense by output</b>   |                          |                          |                          |
| Production & printing of Parliamentary reports                               | 1,008                    | 986                      | 896                      |
| <b>Total</b>   | <b>1,008</b>             | <b>986</b>               | <b>896</b>               |
| <b>Net Assets</b>  |                          |                          |                          |
| Total assets deployed for Parliamentary reporting service                    |                          | 0                        | 0                        |
| Total liabilities incurred for Parliamentary reporting service               |                          | (272)                    | (345)                    |
| <b>Net assets (liabilities) deployed for Parliamentary reporting service</b> |                          | <b>(272)</b>             | <b>(345)</b>             |

**Output Group 2 – Parliamentary Library Service**

|  | 2012         | 2012         | 2011         |
|--|--------------|--------------|--------------|
|  | Budget       | Actual       | Actual       |
|  | \$'000       | \$'000       | \$'000       |
| <b>Continuing operations</b>   |              |              |              |
| <b>Revenue and other income from transactions</b>                          |              |              |              |
| Revenue from appropriation   | 1,044        | 878          | 772          |
| <b>Total revenue and other income from transactions</b>                    | <b>1,044</b> | <b>878</b>   | <b>772</b>   |
| <b>Expenses from transactions</b>  |              |              |              |
| Employee benefits  | 973          | 922          | 723          |
| Supplies & consumables   | 53           | 63           | 71           |
| Other expenses   | 18           | 50           | 30           |
| <b>Total expenses from transactions</b>                                    | <b>1,044</b> | <b>1,035</b> | <b>824</b>   |
| <b>Net operating result from continuing operations</b>                     | <b>0</b>     | <b>(157)</b> | <b>(52)</b>  |
| <b>Comprehensive result</b>  | <b>0</b>     | <b>(157)</b> | <b>(52)</b>  |
| <b>Expense by output</b>   |              |              |              |
| Parliamentary library service  | 1,044        | 1,035        | 824          |
| <b>Total</b>   | <b>1,044</b> | <b>1,035</b> | <b>824</b>   |
| <b>Net Assets</b>  |              |              |              |
| Total assets deployed for Parliamentary library service                    |              | 0            | 0            |
| Total liabilities incurred for Parliamentary library service               |              | (222)        | (236)        |
| <b>Net assets (liabilities) deployed for Parliamentary library service</b> |              | <b>(222)</b> | <b>(236)</b> |

**Output Group 3 – Parliamentary Printing & Systems**

|   | 2012         | 2012         | 2011         |
|---|--------------|--------------|--------------|
|   | Budget       | Actual       | Actual       |
|   | \$'000       | \$'000       | \$'000       |
| <b>Continuing operations</b>  |              |              |              |
| <b>Revenue and other income from transactions</b>                                 |              |              |              |
| Revenue from appropriation  | 1,193        | 1,070        | 1,176        |
| Sales of goods and services   | 0            | 0            | 0            |
| Other revenue   | 0            | 190          | 235          |
| <b>Total revenue and other income from transactions</b>                           | <b>1,193</b> | <b>1,260</b> | <b>1,411</b> |
| <b>Expenses from transactions</b>   |              |              |              |
| Employee benefits   | 354          | 377          | 363          |
| Supplies & consumables  | 565          | 792          | 978          |
| Depreciation  | 0            | 34           | 4            |
| Other expenses  | 274          | 21           | 12           |
| <b>Total expenses from transactions</b>   | <b>1,193</b> | <b>1,224</b> | <b>1,357</b> |
| <b>Net operating result from continuing operations</b>                            | <b>0</b>     | <b>36</b>    | <b>54</b>    |
| <b>Comprehensive result</b>   | <b>0</b>     | <b>36</b>    | <b>54</b>    |
| <b>Expense by output</b>  |              |              |              |
| Parliamentary printing  | 438          | 285          | 363          |
| Parliamentary systems   | 755          | 939          | 994          |
| <b>Total</b>  | <b>1,193</b> | <b>1,224</b> | <b>1,357</b> |
| <b>Net Assets</b>   |              |              |              |
| Total assets deployed for Parliamentary printing & systems                        |              | 0            | 0            |
| Total liabilities incurred for Parliamentary printing & systems                   |              | (114)        | (150)        |
| <b>Net assets (liabilities) deployed for Parliamentary printing &amp; systems</b> |              | <b>(114)</b> | <b>(150)</b> |



**Output Group 4 – Joint Services**

|   | 2012         | 2012         | 2011         |
|---|--------------|--------------|--------------|
|   | Budget       | Actual       | Actual       |
|   | \$'000       | \$'000       | \$'000       |
| <b>Continuing operations</b>                                |              |              |              |
| <b>Revenue and other income from transactions</b>           |              |              |              |
| Revenue from appropriation                                  | 3,185        | 3,223        | 2,871        |
| Sales of goods and services                                 | 0            | 377          | 384          |
| Other revenue   | 0            | 0            | 0            |
| <b>Total revenue and other income from transactions</b>     | <b>3,185</b> | <b>3,600</b> | <b>3,255</b> |
| <b>Expenses from transactions</b>                           |              |              |              |
| Employee benefits   | 980          | 1,189        | 1,317        |
| Grant & transfer payments                                   | 59           | 51           | 51           |
| Supplies & consumables                                      | 215          | 1,649        | 1,630        |
| Cost of goods sold  | 0            | 274          | 282          |
| Depreciation  | 588          | 584          | 584          |
| Other expenses  | 1,343        | 78           | 61           |
| <b>Total expenses from transactions</b>                     | <b>3,185</b> | <b>3,825</b> | <b>3,925</b> |
| <b>Net operating result from continuing operations</b>      | <b>0</b>     | <b>(225)</b> | <b>(670)</b> |
| <b>Comprehensive result</b>                                 | <b>0</b>     | <b>(225)</b> | <b>(670)</b> |
| <b>Expense by output</b>                                    |              |              |              |
| Buildings & operations management                           | 1,976        | 2,358        | 2,419        |
| Joint management services                                   | 290          | 277          | 340          |
| Services to members   | 807          | 980          | 1,015        |
| Corporate services for Parliamentary agencies               | 112          | 210          | 151          |
| <b>Total</b>  | <b>3,185</b> | <b>3,825</b> | <b>3,925</b> |
| <b>Net Assets</b>   |              |              |              |
| Total assets deployed for Joint Services                    |              | 26           | 44           |
| Total liabilities incurred for Joint Services               |              | (319)        | (416)        |
| <b>Net assets (liabilities) deployed for Joint Services</b> |              | <b>(293)</b> | <b>(372)</b> |

**3.2 Reconciliation of Total Output Groups Comprehensive Result to Statement of Comprehensive Income**

|  | 2012   | 2012         | 2011         |
|--|--------|--------------|--------------|
|  | Budget | Actual       | Actual       |
|  | \$'000 | \$'000       | \$'000       |
| Net result from transactions (net operating balance) |        | (502)        | (695)        |
| <b>Reconciliation to comprehensive result</b>        |        |              |              |
| Change in Physical Asset Revaluation Reserve         |        | 0            | 205          |
| <b>Comprehensive result</b>                          |        | <b>(502)</b> | <b>(489)</b> |

**3.3 Reconciliation of Total Output Groups Net Assets to Statement of Financial Position**

|   | 2012          | 2011          |  |
|---|---------------|---------------|--|
|   | Actual        | Actual        |  |
|   | \$'000        | \$'000        |  |
| Total net assets deployed for Output Groups | (901)         | (1,103)       |  |
| <b>Reconciliation to net assets</b>         |               |               |  |
| Assets unallocated to Output Groups         | 30,558        | 31,262        |  |
| Liabilities unallocated to Output Groups    | 0             | 0             |  |
| <b>Net assets</b>                           | <b>29,657</b> | <b>30,159</b> |  |

#### Note 4 Explanations of Material Variances between Budget and Actual Outcomes

The following are brief explanations of material variances between Budget estimates and actual outcomes.

Variances are considered material where the variance exceeds 10 per cent of Budget estimate.

#### 4.1 Statement of Comprehensive Income

|                                   | Note | Budget<br>\$'000 | Actual<br>\$'000 | Variance<br>\$'000 | Variance<br>% |
|-----------------------------------|------|------------------|------------------|--------------------|---------------|
| Appropriation revenue - recurrent | (a)  | 5,710            | 6,001            | 291                | 5.1%          |
| Sales of goods and services       | (b)  | 172              | 377              | 205                | 119.2%        |
| Employee benefits                 | (c)  | 3,043            | 3,373            | (330)              | (10.8%)       |
| Cost of goods sold                | (b)  | 0                | 274              | (274)              | (100.0%)      |

#### Notes to Statement of Comprehensive Income variances

(a) Increase in appropriation revenue reflects the general cost increases in property occupancy costs, communications and broadcasting costs funded through Requests for Additional Funding (RAF's).

(b) Increases in sales of goods and services and cost of goods sold reflects a higher level of activity in the Parliamentary dining room than was budgeted.

(c) Employee benefits are higher due full year impact of the Department of Education transfer to Legislature-General. Lower discount rates and inflation rates impacted on higher employee provisions.

#### 4.2 Statement of Financial Position

|                   | Note | Budget<br>\$'000 | Actual<br>\$'000 | Variance<br>\$'000 | Variance<br>% |
|-------------------|------|------------------|------------------|--------------------|---------------|
| Cash and deposits | (a)  | 18               | 61               | 43                 | 238.9%        |
| Receivables       | (b)  | 75               | 94               | 19                 | 25.3%         |
| Employee benefits | (c)  | 738              | 851              | (113)              | (15.3%)       |

#### Notes to Statement of Financial Position variances

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

(b) Receivables are lower than budget again due to timing of payments.

(c) Employee benefits are higher due to lower discount rates and inflation rates impacting on employee provisions.

#### 4.3 Statement of Cash Flows

|                             | Note | Budget<br>\$'000 | Actual<br>\$'000 | Variance<br>\$'000 | Variance<br>% |
|-----------------------------|------|------------------|------------------|--------------------|---------------|
| Sales of goods and services | (a)  | 172              | 364              | 192                | 111.6%        |
| Employee benefits           | (b)  | 2,756            | 3,123            | (367)              | (13.3%)       |
| Supplies and consumables    | (c)  | 2,576            | 2,312            | 264                | 10.2%         |

#### Notes to Statement of Cash Flows variances

(a) Increases in sales of goods and services and cost of goods sold reflects a higher level of activity in the Parliamentary dining room than was budgeted.

(b) Employee benefits are higher due to some long term staff leaving the organisation and having to pay out their leave entitlements.

(c) A decrease in supplies and consumables reflects savings in mainly property occupancy costs associated with equipment repairs and maintenance.

## Note 5 Income from transactions

### 5.1 Revenue from Government

Revenue from Government includes revenue from appropriations and appropriations carried forward under section 8A(2) of the Public Account Act 1986.

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

|                                      | 2012<br>Budget<br>\$'000 | 2012<br>Actual<br>\$'000 | 2011<br>Actual<br>\$'000 |
|--------------------------------------|--------------------------|--------------------------|--------------------------|
| <i>Continuing operations</i>         |                          |                          |                          |
| Appropriation revenue - recurrent    | 5,710                    | 6,001                    | 5,690                    |
| Items Reserved by Law                | 0                        | 0                        | 0                        |
| <b>Total</b>                         | <b>5,710</b>             | <b>6,001</b>             | <b>5,690</b>             |
| <b>Total revenue from Government</b> | <b>5,710</b>             | <b>6,001</b>             | <b>5,690</b>             |

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. For the 2012 and 2011 financial there were no Section 8A(2) carry forward amount.

### 5.2 Sales of goods and services

|   | 2012<br>\$'000 | 2011<br>\$'000 |
|---|----------------|----------------|
| Sales of goods by Parliamentary dining room | 377            | 384            |
| <b>Total</b>                                | <b>377</b>     | <b>384</b>     |

### 5.3 Other revenue

|                               | 2012<br>\$'000 | 2011<br>\$'000 |
|-------------------------------|----------------|----------------|
| Miscellaneous cost recoveries | 190            | 235            |
| <b>Total</b>                  | <b>190</b>     | <b>235</b>     |

Other revenues include payroll subsidies and 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.

**Note 6 Expenses from transactions****6.1 Employee benefits**

|                         | 2012         | 2011         |
|-------------------------|--------------|--------------|
|                         | \$'000       | \$'000       |
| Wages and salaries      | 2,680        | 2,679        |
| Annual leave            | 177          | 135          |
| Long service leave      | 126          | 52           |
| Superannuation          | 295          | 270          |
| Other employee expenses | 95           | 93           |
| <b>Total</b>            | <b>3,373</b> | <b>3,229</b> |

Superannuation expenses relating to defined benefits schemes relate to payments into the Superannuation Provision Account held centrally and recognised within the Finance-General Division of the Department of Treasury and Finance. The amount of the payment is based on an employer contribution rate determined by the Treasurer, on the advice of the State Actuary. The current employer contribution is 12.3 per cent of salary.

Superannuation expenses relating to defined contribution schemes are paid directly to nominated superannuation funds at a rate of nine per cent of salary. In addition Legislature-General is also required to pay into the SPA a "gap" payment equivalent to 3.3% of salary in respect of employees who are members of contribution schemes.

**6.2 Depreciation****(a) Depreciation**

|                           | 2012       | 2011       |
|---------------------------|------------|------------|
|                           | \$'000     | \$'000     |
| Buildings                 | 253        | 253        |
| Leasehold improvements    | 25         | 25         |
| Plant & equipment         |            |            |
| - Computer equipment      | 34         | 4          |
| - Security equipment      | 28         | 29         |
| - Other Plant & equipment | 246        | 244        |
| Furniture & fittings      | 32         | 32         |
| <b>Total</b>              | <b>618</b> | <b>587</b> |

**6.3 Supplies and consumables**

|                                      | 2012         | 2011         |
|--------------------------------------|--------------|--------------|
|                                      | \$'000       | \$'000       |
| Accommodation related expense        | 988          | 949          |
| Rental paid to government            | 368          | 357          |
| Communications                       | 456          | 496          |
| Audit fees                           | 20           | 21           |
| Equipment maintenance & replacements | 133          | 280          |
| Printing & supplies                  | 316          | 429          |
| Special project                      | 2            | 1            |
| Other supplies and consumables       | 274          | 185          |
| <b>Total</b>                         | <b>2,557</b> | <b>2,718</b> |

**6.4 Grants and subsidies**

|  | 2012      | 2011      |
|--|-----------|-----------|
|  | \$'000    | \$'000    |
| Commonwealth Parliamentary Association - London Subsidy          | 12        | 12        |
| Commonwealth Parliamentary Association - Tasmania Branch Subsidy | 39        | 39        |
| <b>Total</b>   | <b>51</b> | <b>51</b> |

**6.5 Other expenses**

|                                | 2012       | 2011       |
|--------------------------------|------------|------------|
|                                | \$'000     | \$'000     |
| Payroll tax                    | 166        | 107        |
| Workers compensation insurance | 31         | 29         |
| <b>Total</b>                   | <b>197</b> | <b>136</b> |

**6.6 Supplies, Consumables & Other Expenses compared to sitting days & FTE**

|  | 2012    | 2011    |
|--|---------|---------|
|  | \$'000  | \$'000  |
| Supplies, Consumables & Other Expenses | 2,754   | 2,854   |
| Sitting Days                           | 71 days | 70 days |
| Cost per Sitting Day                   | 39      | 41      |
| Full Time Effective Staff              | 41 FTE  | 36 FTE  |
| Cost per Full Time Effective Staff     | 67      | 79      |

**6.7 Total Expenses compared to sitting days & FTE**

|                                    | 2012    | 2011    |
|------------------------------------|---------|---------|
|                                    | \$'000  | \$'000  |
| Total Expenses                     | 7,070   | 7,003   |
| Sitting Days                       | 71 days | 70 days |
| Cost per Sitting Day               | 100     | 100     |
| Full Time Effective Staff          | 41 FTE  | 36 FTE  |
| Cost per Full Time Effective Staff | 172     | 195     |



**Note 7 Assets****7.1 Receivables**

|                                | 2012      | 2011      |
|--------------------------------|-----------|-----------|
|                                | \$'000    | \$'000    |
| Receivables                    | 41        | 54        |
| Less: Provision for impairment | (1)       | (1)       |
| <b>Total</b>                   | <b>40</b> | <b>53</b> |
| <br>                           |           |           |
| Other receivables              | 54        | 30        |
| <b>Total</b>                   | <b>94</b> | <b>83</b> |
| <br>                           |           |           |
| Settled within 12 months       | 94        | 83        |
| Settled in more than 12 months | 0         | 0         |
| <b>Total</b>                   | <b>94</b> | <b>83</b> |

Settlement is usually made within 30 days.

**7.2 Inventories**

|                                 | 2012      | 2011      |
|---------------------------------|-----------|-----------|
|                                 | \$'000    | \$'000    |
| Stock on hand - Bistro          | 21        | 33        |
| Stock on hand - Dining Room     | 5         | 9         |
| <b>Total</b>                    | <b>26</b> | <b>42</b> |
| <br>                            |           |           |
| Utilised within 12 months       | 26        | 42        |
| Utilised in more than 12 months | 0         | 0         |
| <b>Total</b>                    | <b>26</b> | <b>42</b> |

**7.3 Property, plant & equipment**

(a) carrying amount

|  | 2012          | 2011          |
|--|---------------|---------------|
|  | \$'000        | \$'000        |
| <b>Land</b>  |               |               |
| At fair value (30 June 2009) *                           | 3,700         | 3,700         |
| Less: Provision for impairment                           | 0             | 0             |
| <b>Total</b>   | <b>3,700</b>  | <b>3,700</b>  |
| <b>Buildings</b>   |               |               |
| At fair value (30 June 2009) *                           | 25,300        | 25,300        |
| Less: Accumulated depreciation                           | (759)         | (506)         |
| <b>Total</b>   | <b>24,541</b> | <b>24,794</b> |
| <b>Leasehold improvements</b>                            |               |               |
| At cost  | 127           | 127           |
| Less: Accumulated amortisation                           | (81)          | (55)          |
| <b>Total</b>   | <b>46</b>     | <b>72</b>     |
| <b>Plant and equipment</b>                               |               |               |
| At cost  | 3,748         | 3,708         |
| Less: Accumulated depreciation                           | (2,050)       | (1,742)       |
| <b>Total</b>   | <b>1,698</b>  | <b>1,966</b>  |
| <b>Furniture and fittings</b>                            |               |               |
| At cost  | 208           | 208           |
| Less: Accumulated depreciation                           | (158)         | (126)         |
| <b>Total</b>   | <b>50</b>     | <b>82</b>     |
| <b>Heritage and cultural assets</b>                      |               |               |
| Antique Furniture at cost                                | 11            | 11            |
| Antique Furniture at fair value (9 August 2010) **       | 280           | 280           |
| Artworks and Artifacts at fair value (9 August 2010) *** | 217           | 217           |
| Less: Accumulated depreciation                           | 0             | 0             |
| <b>Total</b>   | <b>508</b>    | <b>508</b>    |
| <b>Total property, plant and equipment</b>               | <b>30,543</b> | <b>31,122</b> |

\* The latest revaluations as at 30 June 2009 were independently conducted. The valuer was the office of the Valuer-General.

\*\* The latest revaluations as at 9 August 2010 were independently conducted. The valuer was Mr A F Colman. The revaluation was based on replacement value.

\*\*\* The latest revaluations as at August 2010 were independently conducted. Artworks were valued in August 2010 by Mr W N Hurst (Director, Masterpiece Gallery) and the Mace in February 2009 by Mr P Thomson R.J. dip F.G.A.(London). Revaluations were based on replacement value.

(a) reconciliation of movements

| 2012                                | Land<br>\$'000 | Buildings<br>\$'000 | Leasehold<br>improve-<br>ments<br>\$'000 | Plant and<br>equipment<br>\$'000 | Furniture<br>and fittings<br>\$'000 | Heritage and<br>cultural<br>assets<br>\$'000 | Total<br>\$'000 |
|-------------------------------------|----------------|---------------------|--|----------------------------------|-------------------------------------|--|-----------------|
| Carrying value at 1 July            | 3,700          | 24,794              | 72                                       | 1,966                            | 82                                  | 508  | 31,122          |
| Additions                           | 0              | 0                   | 0  | 40                               | 0                                   | 0  | 40              |
| Revaluation increments (decrements) | 0              | 0                   | 0  | 0                                | 0                                   | 0  | 0               |
| Depreciation and amortisation       | 0              | (253)               | (26)                                     | (308)                            | (32)                                | 0  | (619)           |
| Carrying value at 30 June           | 3,700          | 24,541              | 46                                       | 1,698                            | 50                                  | 508  | 30,543          |

| 2011                                | Land<br>\$'000 | Buildings<br>\$'000 | Leasehold<br>improve-<br>ments<br>\$'000 | Plant and<br>equipment<br>\$'000 | Furniture<br>and fittings<br>\$'000 | Heritage and<br>cultural<br>assets<br>\$'000 | Total<br>\$'000 |
|-------------------------------------|----------------|---------------------|--|----------------------------------|-------------------------------------|--|-----------------|
| Carrying value at 1 July            | 3,700          | 25,047              | 98                                       | 2,124                            | 114                                 | 303  | 31,386          |
| Additions                           | 0              | 0                   | 0  | 120                              | 0                                   | 0  | 120             |
| Revaluation increments (decrements) | 0              | 0                   | 0  | 0                                | 0                                   | 205  | 205             |
| Depreciation and amortisation       | 0              | (253)               | (26)                                     | (278)                            | (32)                                | 0  | (589)           |
| Carrying value at 30 June           | 3,700          | 24,794              | 72                                       | 1,966                            | 82                                  | 508  | 31,122          |

**7.4 Other assets****(a) Carrying amount**

|                                 | 2012      | 2011     |
|---------------------------------|-----------|----------|
|                                 | \$'000    | \$'000   |
| <b>Other current assets</b>     |           |          |
| Prepayments                     | 16        | 2        |
| <b>Total</b>                    | <b>16</b> | <b>2</b> |
| <br>                            |           |          |
| Utilised within 12 months       | 16        | 2        |
| Utilised in more than 12 months | 0         | 0        |
| <b>Total</b>                    | <b>16</b> | <b>2</b> |

## Note 8 Liabilities

### 8.1 Payables

|                                | 2012       | 2011       |
|--------------------------------|------------|------------|
|                                | \$'000     | \$'000     |
| Creditors                      | 114        | 171        |
| Accrued expenses               | 82         | 123        |
| <b>Total</b>                   | <b>196</b> | <b>294</b> |
| Settled within 12 months       | 196        | 294        |
| Settled in more than 12 months | 0          | 0          |
| <b>Total</b>                   | <b>196</b> | <b>294</b> |

Settlement is usually made within 30 days.

### 8.2 Employee benefits

|                                | 2012       | 2011       |
|--------------------------------|------------|------------|
|                                | \$'000     | \$'000     |
| Accrued salaries               | 95         | 121        |
| Annual leave                   | 245        | 250        |
| Long service leave             | 435        | 369        |
| Superannuation                 | 76         | 77         |
| <b>Total</b>                   | <b>851</b> | <b>817</b> |
| Settled within 12 months       | 723        | 477        |
| Settled in more than 12 months | 128        | 340        |
| <b>Total</b>                   | <b>851</b> | <b>817</b> |

### 8.3 Other liabilities

|                                | 2012      | 2011      |
|--------------------------------|-----------|-----------|
|                                | \$'000    | \$'000    |
| <b>Other Liabilities</b>       |           |           |
| Employee Benefits - On-Costs   | 36        | 36        |
| <b>Total</b>                   | <b>36</b> | <b>36</b> |
| Settled within 12 months       | 33        | 36        |
| Settled in more than 12 months | 3         | 0         |
| <b>Total</b>                   | <b>36</b> | <b>36</b> |

## Note 9 Commitments and Contingencies

### 9.1 Schedule of Commitments

|  | 2012      | 2011       |
|--|-----------|------------|
|  | \$'000    | \$'000     |
| <b>By type</b>                           |           |            |
| <i>Lease Commitments</i>                 |           |            |
| Operating leases - Photocopiers          | 8         | 21         |
| Property leases                          | 67        | 111        |
| <b>Total lease commitments</b>           | <b>75</b> | <b>132</b> |
| <br>                                     |           |            |
| <b>By Maturity</b>                       |           |            |
| <i>Operating lease commitments</i>       |           |            |
| One year or less                         | 45        | 57         |
| From one to five years                   | 30        | 75         |
| More than five years                     | 0         | 0          |
| <b>Total operating lease commitments</b> | <b>75</b> | <b>132</b> |

### 9.2 Commitments

Legislature-General has no other commitments.

## Note 10 Reserves

### 10.1 Reserves

|  | 2012          | 2011          |
|--|---------------|---------------|
|  | \$'000        | \$'000        |
| <b>Asset revaluation reserve</b>           |               |               |
| Balance at the beginning of financial year | 19,705        | 19,500        |
| Revaluation increments/(decrements)        | 0             | 205           |
| <b>Balance at end of financial year</b>    | <b>19,705</b> | <b>19,705</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, as described in Note 1.8(d).

**Note 11 Cash Flow Reconciliation****11.1 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.

|  | 2012      | 2011      |
|--|-----------|-----------|
|  | \$'000    | \$'000    |
| <b>Special Deposits and Trust Fund balance</b> |           |           |
| Legislature-General operating account          | 60        | 56        |
| <b>Total</b>                                   | <b>60</b> | <b>56</b> |
| <br>   |           |           |
| <b>Other cash held</b>                         |           |           |
| Cash on hand                                   | 1         | 1         |
| <b>Total</b>                                   | <b>1</b>  | <b>1</b>  |
| <br>   |           |           |
| <b>Total cash and deposits</b>                 | <b>61</b> | <b>57</b> |

**11.2 Reconciliation of Net Result to Net Cash from Operating Activities**

|   | 2012      | 2011       |
|---|-----------|------------|
|   | \$'000    | \$'000     |
| Net result  | (502)     | (694)      |
| Depreciation and amortisation                       | 618       | 587        |
| Decrease (increase) in Receivables                  | (11)      | (8)        |
| Decrease (increase) in Prepayments                  | (14)      | 8          |
| Decrease (increase) in Inventories                  | 17        | (1)        |
| Increase (decrease) in Employee entitlements        | 34        | 117        |
| Increase (decrease) in Payables                     | (98)      | 168        |
| Increase (decrease) in Other liabilities            | 0         | (18)       |
| <b>Net cash from (used by) operating activities</b> | <b>44</b> | <b>159</b> |



**12.1 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 or other security.

The following tables analyse financial assets that are past due but not impaired:

**Analysis of financial assets that are past due at 30 June 2012 but not impaired**

|             | Past due 31<br>to 60 days<br>\$'000 | Past due<br>over 60 days<br>\$'000 | Total<br>\$'000 |
|-------------|-------------------------------------|------------------------------------|-----------------|
| Receivables | 1                                   | 11                                 | 12              |

**Analysis of financial assets that are past due at 30 June 2011 but not impaired**

|             | Past due 31<br>to 60 days<br>\$'000 | Past due<br>over 60 days<br>\$'000 | Total<br>\$'000 |
|-------------|-------------------------------------|------------------------------------|-----------------|
| Receivables | 1                                   | 4                                  | 5               |

**(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:

**2012**

|                              | Maturity analysis for financial liabilities |              |            |
|------------------------------|---|--------------|------------|
|                              | 1 Year                                      | Undiscounted | Carrying   |
|                              | \$'000                                      | Total        | Amount     |
| <b>Financial liabilities</b> |   |              |            |
| Payables                     | 196   | 196          | 196        |
| Other liabilities            | 36  | 36           | 36         |
| <b>Total</b>                 | <b>232</b>                                  | <b>232</b>   | <b>232</b> |

**2011**

|                              | Maturity analysis for financial liabilities |              |            |
|------------------------------|---|--------------|------------|
|                              | 1 Year                                      | Undiscounted | Carrying   |
|                              | \$'000                                      | Total        | Amount     |
| <b>Financial liabilities</b> |   |              |            |
| Payables                     | 294   | 294          | 294        |
| Other liabilities            | 36  | 36           | 36         |
| <b>Total</b>                 | <b>330</b>                                  | <b>330</b>   | <b>330</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.

**12.2 Categories of Financial Assets and Liabilities**

|                              | 2012       | 2011       |
|------------------------------|------------|------------|
|                              | \$'000     | \$'000     |
| <b>Financial assets</b>      |            |            |
| Cash and cash equivalents    | 61         | 57         |
| Receivables                  | 94         | 83         |
| <b>Total</b>                 | <b>155</b> | <b>140</b> |
| <b>Financial liabilities</b> |            |            |
| Payables                     | 196        | 294        |
| Other liabilities            | 36         | 36         |
| <b>Total</b>                 | <b>232</b> | <b>330</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.

**12.3 Net Fair Values of Financial Assets and Liabilities**

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