



LEGISLATURE-GENERAL

ANNUAL REPORT

2020-21

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

LEGISLATURE-GENERAL

ANNUAL REPORT

2020-21

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Legislature-General provides services to support the functioning of the Legislative Council, and House of Assembly and the work of Members of the Parliament of Tasmania.

The services are often referred to as joint services and include parliamentary reporting (Hansard), printing in relation to debates, bills and papers, catering and dining, information communications technology, library and research and building maintenance services.

Legislature-General comprises four appropriation outputs, which undertake specific functions in delivering services to the Parliament.

The Output structure of the Legislature-General for 2020-21 was:

Output Group 1 - PARLIAMENTARY REPORTING SERVICE

1.1 - Production and Printing of Parliamentary Reports

Output Group 2 - PARLIAMENTARY LIBRARY SERVICE

2.1 - Parliamentary Library Service

Output Group 3 - PARLIAMENTARY PRINTING & SYSTEMS

3.1 – Parliamentary Printing

3.2 – Parliamentary Systems

Output Group 4 - JOINT SERVICES

4.1 - Buildings and Operations Management

4.2 - Joint Management Services

4.3 - Services to Members

4.4 - Corporate Services for Parliament Agencies

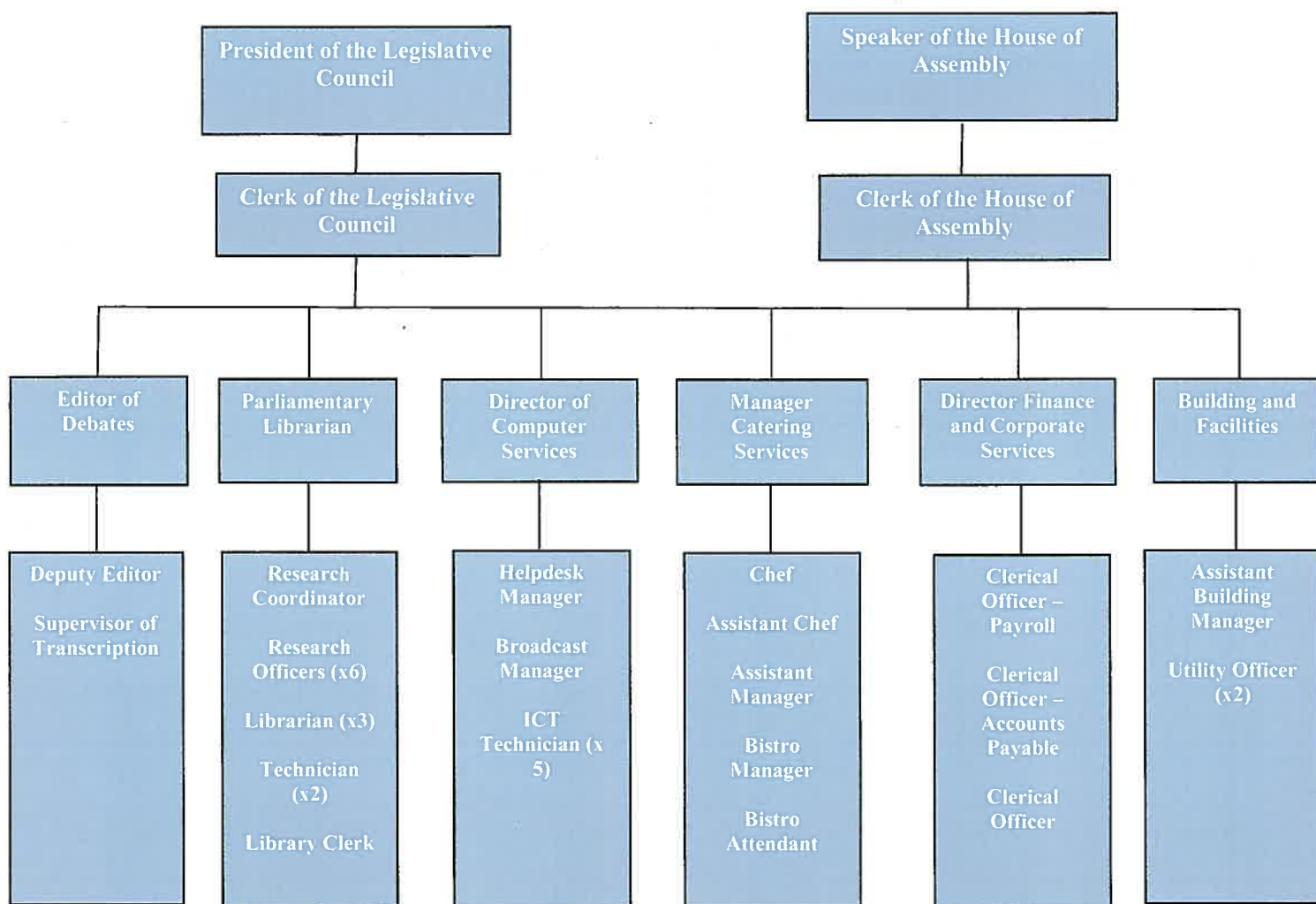
Corporate Structure

The Clerk of the Legislative Council and the Clerk of the House of Assembly act jointly as Heads of Agency and are the responsible accountable authority for the financial management of Legislature-General. The Joint Heads are responsible to the Presiding Officers of the Parliament of Tasmania, Hon Craig Farrell, MLC, President of the Legislative Council and Hon Mark Shelton, MP, Speaker of the House of Assembly for the efficient and effective management of Legislature-General.

The day to day operational management of Legislature-General output groups is performed by unit managers with responsibilities for services including reporting, library, information technology, catering, corporate services and building maintenance.

The Structure as at 30 June 2021:

Legislature General



The Joint House Committee is one of two joint committees which are formed under Standing Orders for each session of Parliament. The membership of the committee comprises three Members of the Legislative Council and three Members of the House of Assembly. As at 30 June 2021 the membership was as follows:

Membership

LEGISLATIVE COUNCIL

PRESIDENT

Hon. Craig Farrell MLC

Hon. Ruth Forrest MLC

Hon. Leonie Hiscutt MLC

HOUSE OF ASSEMBLY

SPEAKER

Hon. Mark Shelton MP, Chair

Mr. Nic Street MP

Mr. Dean Winter MP

The House Committee 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 2021, Ms Stephanie Hesford, Clerk-Assistant and Sergeant-at-Arms House of Assembly, held the position of Secretary.

The official written record of what is said in Parliament, the chambers and committees is called Hansard. The Hansard is the record of what is said and is produced using a rationale verbatim process.

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

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

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

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

Members of Parliament receive a draft version of their speeches and can suggest corrections. When all 'turns' for a day are complete, the proof - draft - Hansard is uploaded to the Parliament House website. The proof is later checked and, if necessary, amended and changed to become the official Hansard. The process to produce the official Hansard report of debate usually takes about 3 days.

Statistics of Sittings of the Houses and Committees

The following is a comparison of sitting hours in each Chamber and for Parliamentary Committees for the financial years 2016-17 to 2020-21:

House of Assembly Sittings - Comparison of Hours:

2016-17 = 340 hours 23 minutes
2017-18 = 229 hours 54 minutes **Date of Election 3 March 2018
2018-19 = 321 hours 13 minutes **Parliament prorogued to 19 March 2019
2019-20 = 283 hours 02 minutes **Reduced sitting hours due to COVID-19
2020-21 = 288 hours 19 minutes ** date of Election 1 May 2021

Legislative Council Sitings - Comparison of Hours:

2016-17 = 218 hours 37 minutes
2017-18 = 155 hours 19 minutes
2018-19 = 170 hours 39 minutes
2019-20 = 183 hours 5 minutes
2020-21 = 198 hours 14 minutes

Parliamentary Committees - Comparison of Hours

Joint House -

2016-17 = 77 hours
2017-18 = 24 hours 30 minutes
2018-19 = 11 hours 45 minutes
2019-20 = 15 hours 45 minutes
2020-21 = 53 hours 45 minutes

House of Assembly -

2016-17 = 36 hours 15 minutes
2017-18 = nil
2018-19 = 28 hours 45 minutes
2019-20 = 48 hours 30 minutes
2020-21 = nil

Legislative Council

2016-17 = 45 hours
2017-18 = 57 hours
2018-19 = 66 hours 30 minutes
2019-20 = 81 hours 45 minutes
2020-21 = 28 hours 45 minutes

Estimates Committee and Government Business Enterprise Committees -

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

House of Assembly

| | |
|----------------------------|---------------------------|
| 2016 = 64 hours 27 minutes | GBE = 13 hours 21 minutes |
| 2017 = 69 hours 7 minutes | GBE = 12 hours 4 minutes |
| 2018 = 66 hours 23 minutes | GBE = 14 hours 5 minutes |
| 2019 = 65 hours 18 minutes | GBE = 14 hours |
| 2020 = 66 hours 15 minutes | GBE = 17 hours 34 minutes |

Legislative Council

| | |
|----------------------------|---------------------------|
| 2016 = 59 hours 24 minutes | GBE = 13 hours |
| 2017 = 59 hours 44 minutes | GBE = 11 hours 54 minutes |
| 2018 = 59 hours 2 minutes | GBE = 11 hours 56 minutes |
| 2019 = 56 hours 54 minutes | GBE = 13 hours 18 minutes |
| 2020 = 67 hours 41 minutes | GBE = 16 hours 36 minutes |

A joint Library Committee is established under Standing Orders by Parliament at the commencement of every session of Parliament, consisting of six members from both Houses. As at 30 June 2021 the membership was as follows:

Membership

| LEGISLATIVE COUNCIL | HOUSE OF ASSEMBLY |
|---|--|
| PRESIDENT Hon. Craig Farrell MLC, Chair | SPEAKER Hon. Mark Shelton MP |
| Hon. Rosemary Armitage MLC | Mr. Nic Street MP |
| Hon. Ruth Forrest MLC | Dr. Shane Broad MP |
| Hon. Dr Bastian Seidel MLC | Ms Anita Dow MP |
| Hon. Tania Rattray MLC | Mr. Felix Ellis MP |
| Hon. Rob Valentine MLC | Mr. John Tucker MP |

The Deputy Clerk of the House of Assembly assumes the role of Secretary of the Library Committee. On behalf of Parliament and the Library Committee, the Parliamentary Librarian manages the Library and Research Service and the Parliamentary Museum.

The primary purpose of the Library and Research Service is to provide an efficient, effective and integrated information and research service to Members and Officers of the Parliament, by providing: access to library collections and research material designed to assist Members in the performance of their duties. The Library and Research Service provides its services within a neutral environment, ensuring confidentiality and timeliness of the provision of information.

The Parliamentary Library and Research Service comprises of the Parliamentary Librarian, a Research Co-ordinator, three librarians, six research officers, two library technicians, and a library clerk.

Library Service

The Library offers a wide range of services, including specialised reference services, individualised services for Members and committees, weekly current awareness services, inter-library loans, access to specialised information sources (including electronic, web based and hard copy) as well as library education.

Some of the specialised Library services include: media monitoring services and maintenance of historical information about the Parliament of Tasmania and its procedures. Media monitoring activities include the indexing of articles on Tasmanian politics and current affairs included in the newspapers such as the Mercury, Advocate, Examiner, Tasmanian Country, the Australian and the Australian Financial Review. In addition to the newspaper content,

media releases are available to Members and staff on a searchable index. Access to online regional newspapers is also available to Members and staff. Media monitoring also includes the recording of television broadcasts from the ABC, WIN and Southern Cross and ABC radio broadcasts (North and South). Transcripts are provided upon request.

The Library Service responded to 708 reference queries during 2020/21 and added 22,606 articles to the newspaper clippings index.

Research Service

The Parliamentary Research Service continues to provide timely responses and detailed analysis to Members of Parliament, their staff and committees of both Houses.

The Research Service provides Members with apolitical written or oral briefings on subjects of interest to them. The scope of this research activity includes: confidential research briefs for individual Members, Parliamentary Committees research support, and the compilation of statistics about Tasmania. Information resources are available internally to Members and staff. The Research Service assists the Library with reference queries and selection of resources for inclusion in various Library services.

In 2020/21 there were 198 requests for research information received.

Output 3.2 – Parliamentary Systems

Parliamentary Systems is responsible for the provision of ICT to Members, officers and employees of the Parliament to ensure the operation of the business of Parliament and the work of Members. Specifically, Parliamentary systems is responsible for:

- The management and deployment of ICT assets;
- Broadcasting of proceedings;
- Maintenance of the Liberty system (Hansard audio recording for transcription);
- Security systems;
- Help desk functions and support to Members and staff;
- Cyber security management.

During the financial year 2020/21, the Computer and Electronic Services unit undertook a number of key projects and tasks including:

- Set up of ICT for new Members of Parliament;
- Upgrades to the security system of four regional offices;
- Worked with the Department of Treasury and Finance and Parliament Square developers to install CCTV system into the new Parliament Square secure car park;
- Continued work on the Parliamentary Garden lighting project;
- Installed speech timing system into the House of Assembly Chamber;
- Installed and configured a portable lighting system and backup systems and streaming for broadcast of proceedings;
- Installed new streaming player for Webcast of proceedings;

- Upgraded firewall and cyber security regimes across public Internet access points throughout Parliament House and Parliament Square;
- Designed and installed new platform agnostic video conferencing systems in three Parliament House Committee Rooms and Henty House meeting room in Launceston;
- Worked with contractors to upgrade Liberty digital audio recorders and Liberty transcriber stations.

Output 4.1 – Building Operations

Funding was received during the financial year from the Tasmanian Government Public Buildings Maintenance Program. Works undertaken from these funds included the ceiling replacement and structural repairs within Parliament House, replacement of the master lock system and replacement of workstations within Hansard reporting services for occupational health and safety purposes. Works also continued on the upgrade of lighting on Parliament lawns.

The Dining Room ceiling was also replaced and lighting upgraded for the amenity of Members and their guests.

Support for Local Business

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

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

Output 4.3 – Services to Members

Parliamentary Catering Service

The Parliamentary Catering Service provides for the catering needs of Parliament House. The prime focus being to provide meals for all Members of Parliament and support staff during sitting and non-sitting periods.

These services are delivered through the Members Dining Room, Members and Guests Dining Room, Staff Bistro and Committee Rooms. The Parliamentary Reception Room and Long Room are also used to cater for official functions and events associated with the day-to-day activity of the Parliament and the Government. Additionally, functions may held by local community groups and non-profit organisations with the sponsorship of a current Member of the Tasmanian Parliament.

The Service is comprised of six permanent staff members and during peak periods is supplemented by casual waiting and kitchen staff. Despite the long hours worked during sitting periods, the staff provide an extremely high standard of product and customer service.

The Parliamentary Catering Service promotes and uses wherever possible all Tasmanian locally grown produce and foodstuffs. The Service aims to showcase all of Tasmania's wineries, breweries and distilleries to support the Tasmanian Food, Wine and Beverage Industry.

Parliamentary Standing Committee on Public Works

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

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

Members as at 30 June 2021:

LEGISLATIVE COUNCIL

Hon. Rob Valentine MLC, Chair

Hon Tania Rattray MLC, Deputy Chair

HOUSE OF ASSEMBLY

Ms. Jenna Butler MP

Mr. Felix Ellis MP

Mr. John Tucker MP

The Secretary of the Joint Standing Committee on Public works is a Parliamentary Officer from the Houses Assembly. As at 30 June 2021, Mr Scott Hennessy held the position of Secretary.

Reports:

- Derwent Entertainment Centre Redevelopment
- Peacock Centre Redevelopment
- Sorell Emergency Services Hub
- Tasman Highway Intelligent Transport Systems project
- Tasmanian Government Radio Network
- TasTAFE Energy Trades and Water Centre of Excellence

Meetings:

During the reporting period, the Committee met on 12 occasions, all meetings being held in Hobart.

Parliamentary Standing Committee on Subordinate Legislation

The Parliamentary Standing Committee on Subordinate Legislation is established under the Subordinate Legislation Act 1969. The Committee is comprised of three Members each from the Legislative Council and the House of Assembly.

Members as at 30 June 2021:

LEGISLATIVE COUNCIL

HOUSE OF ASSEMBLY

Hon. Tania Rattray MLC, Chair

Mr. Felix Ellis MP

Hon. Meg Webb MLC, Deputy Chair

Ms. Janie Finlay MP

Hon. Ruth Forrest MLC

Ms. Madeleine Ogilvie MP

Ministers and Presiding Officers may not be members. The Secretary of the Joint Standing Committee on Subordinate legislation is a Committee Secretary from the Legislative Council. As at 30 June 2021, Ms Julie Thompson held the position of Secretary.

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

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

Parliamentary Standing Committee on Integrity

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

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

Members as at 30 June 2021:

LEGISLATIVE COUNCIL

HOUSE OF ASSEMBLY

Hon. Rob Valentine MLC, Chair

Hon. Michael Ferguson MP

Hon. Jo Palmer MLC, Deputy Chair

Ms. Michelle O'Byrne MP

Hon. Rosemary Armitage MLC

The Speaker, Hon. Mark Shelton MP

The Secretary of the Joint Standing Committee on Integrity is a Committee Secretary from the Houses Assembly. As at 30 June 2021, Ms Fiona Murphy held the position of Secretary.

Section 24 of the Integrity Commission Act sets out the functions of the Joint Committee. Essentially the Joint Standing Committee on Integrity monitors and reviews the performance of the integrity entities and reports to both Houses on any matters relevant to an integrity entity. An integrity entity is defined to mean, the Integrity Commission, the Ombudsman, the

Auditor-General and the Custodial Inspector. The Committee may refer matters to the Integrity Commission and provide advice and guidance, but it cannot undertake its own investigations into complaints that the Integrity Commission is investigating, review decisions about investigations or inquiries or make recommendations about particular investigations or inquiries.

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

Joint Standing Committee of Public Accounts

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

The Committee consists of six Members of Parliament, three are Members of the Legislative Council and three are Members of the House of Assembly.

Members as at 30 June 2021:

HOUSE OF ASSEMBLY

Mr. Nic Street, Deputy Chair

Ms. Madeleine Ogilvie

Dr. Shane Broad

LEGISLATIVE COUNCIL

Hon. Ruth Forrest, Chair

Hon. Meg Webb

Hon. Josh Willie

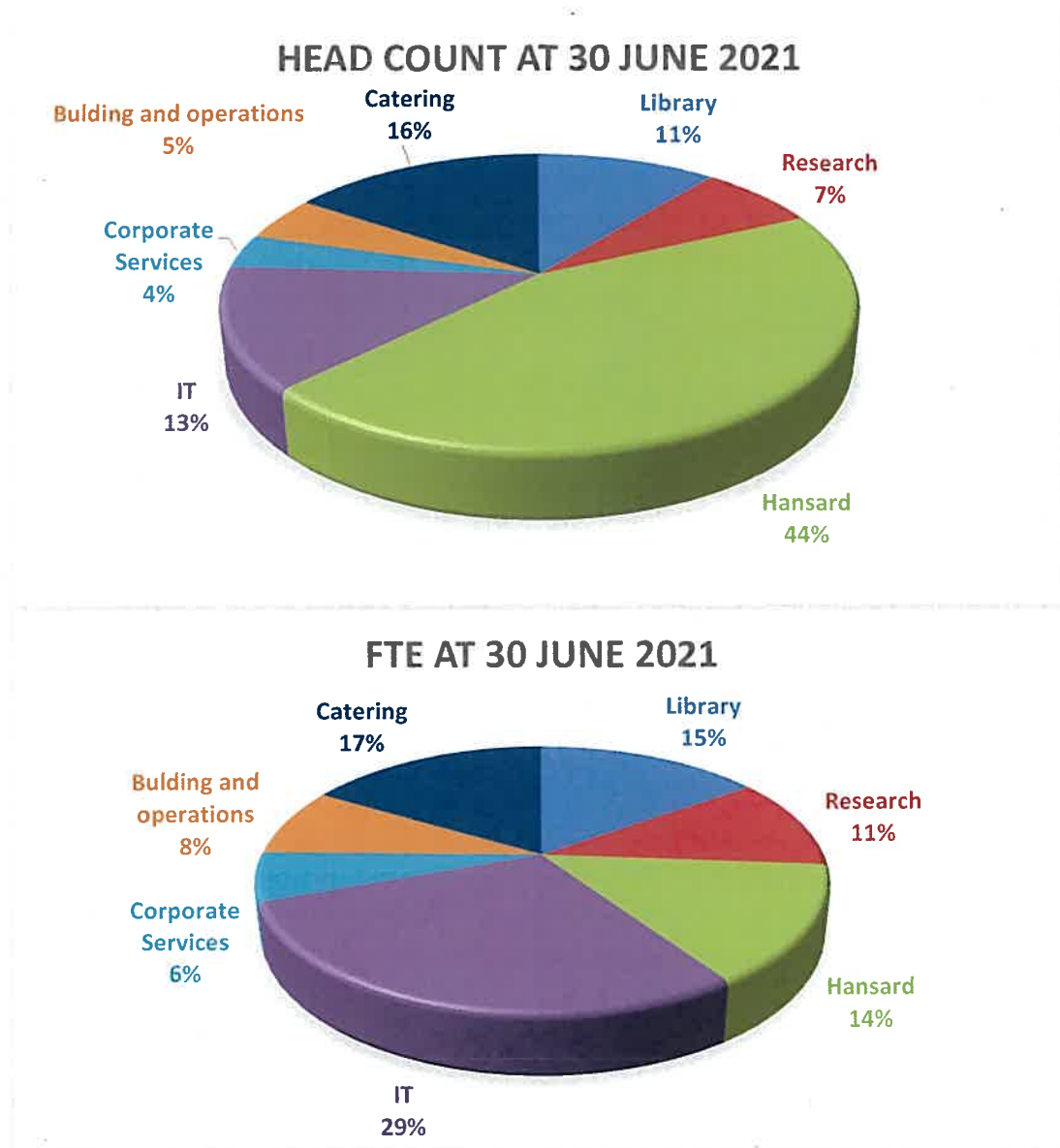
The Secretary of the Joint Standing Committee of Public Accounts is a Committee Secretary from the Legislative Council. As at 30 June 2021, Ms Natasha Exel held the position of Secretary.

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

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

During the 2020/21 financial year the Parliament engaged WLF Accounting & Advisory as internal auditors. The first piece of work undertaken as part of the internal audit program was a review into governance, structure and processes which support the corporate functions within Legislature-General. The Clerks of both Houses are working through the report and have established a Governance Committee structure to guide decision making across joint areas of responsibility. The Governance Committee is the primary decision-making body for staff and managers to report to and consists of the Clerk of the Legislative Council, the Clerk of the House Assembly, the Deputy Clerk of the Legislative Council and the Deputy Clerk of the House of Assembly.

Staffing



During the financial year all Legislature-General permanent staff were set up with access to the self-service application within the payroll module of Parliament’s recently implemented Financial Management Information System. This has provided staff with access to payroll information and has created efficiencies within the payroll and leave application process.

Independent Auditor's Report
To the Members of Parliament
Legislature-General
Report on the Audit of the Financial Statements

Opinion

I have audited the financial statements of Legislature-General, which comprises the statement of financial position as at 30 June 2021 and statements of comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, other explanatory notes and the statement of certification by the Clerks.

In my opinion, the accompanying financial statements:

- (a) present fairly, in all material respects, Legislature-General's financial position as at 30 June 2021 and its financial performance and its cash flows for the year then ended
- (b) are in accordance with the *Financial Management Act 2016* and Australian Accounting Standards.

Basis for Opinion

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

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

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

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

Responsibilities of the Clerks for the Financial Statements

The Clerks are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, and the financial reporting requirements of Section 42 (1) of the *Financial Management Act 2016*. This responsibility includes such internal control as determined necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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



Rod Whitehead
Auditor-General
Tasmanian Audit Office

18 November 2021
Hobart

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Statement of Certification

The accompanying Financial Statements of the Legislative Council are in agreement with the relevant accounts and records and have been prepared in compliance with the Treasurer's Instructions issued under the provisions of the *Financial Management Act 2016* to present fairly the financial transactions for the year ended 30 June 2021 and the financial position as at the end of the year.

At the date of signing, I am not aware of any circumstances which would render the particulars included in the financial statements misleading or inaccurate.



David Pearce
Clerk of the Legislative Council
16 November 2021



Shane Donnelly
Clerk of the House of Assembly
16 November 2021

Statement of Comprehensive Income for the year ended 30 June 2021

| | Notes | 2021 Budget \$'000 | 2021 Actual \$'000 | 2020* Restated \$'000 |
|--|-------|--------------------------|--------------------------|-----------------------------|
| Income from continuing operations | | | | |
| Revenue from Government | | | | |
| Appropriation revenue – operating | 4.1 | 7,400 | 7,003 | 7,247 |
| Appropriation revenue – capital | 4.1 | 80 | 11 | - |
| Grants | 4.2 | 372 | 218 | - |
| Sales of goods and services | 4.3 | 172 | 217 | 274 |
| Other revenue | 4.4 | - | 9 | 68 |
| Total revenue from continuing operations | | 8,024 | 7,458 | 7,589 |
| Expenses from continuing operations | | | | |
| Employee benefits | 5.1 | 3,655 | 4,191 | 4,213 |
| Depreciation and amortisation | 5.2 | 588 | 935 | 900 |
| Cost of goods sold | | - | 180 | 189 |
| Supplies and consumables | 5.3 | 4,144 | 2,882 | 2,649 |
| Grants and subsidies | 5.4 | 59 | 39 | 54 |
| Finance costs | 5.5 | - | 17 | 19 |
| Other expenses | 5.6 | 46 | 123 | 44 |
| Total expenses from continuing operations | | 8,492 | 8,367 | 8,068 |
| Net result from continuing operations | | (468) | (909) | (479) |
| Other Comprehensive Income | | | | |
| Change in Asset Revaluation Reserve | | - | - | 3,439 |
| Total other comprehensive income | | | | |
| Total Comprehensive Result | | (468) | (909) | 2,960 |

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

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

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

* Certain numbers shown do not correspond to the 2019-2020 Financial Statements. For details regarding the restated balances, please refer to note 12.

Statement of Financial Position as at 30 June 2021

| | Notes | 2021 Budget \$'000 | 2021 Actual \$'000 | 2020* Restated \$'000 |
|---------------------------------|-------|--------------------------|--------------------------|-----------------------------|
| Assets | | | | |
| <i>Financial assets</i> | | | | |
| Cash and cash equivalents | 10.1 | 106 | 68 | 101 |
| Receivables | 6.1 | 205 | 95 | 87 |
| <i>Non-financial assets</i> | | | | |
| Inventories | 6.2 | 35 | 32 | 31 |
| Property, plant and equipment | 6.3 | 36,222 | 39,720 | 40,340 |
| Right of use Assets | 6.4 | - | 847 | 896 |
| Other Assets | 6.5 | 85 | 84 | 125 |
| Total assets | | 36,653 | 40,846 | 41,580 |
| Liabilities | | | | |
| Payables | 7.1 | 287 | 279 | 138 |
| Lease Liabilities | 7.2 | - | 848 | 862 |
| Provisions | 7.3 | - | 89 | 87 |
| Employee benefit liabilities | 7.4 | 981 | 1,221 | 1,154 |
| Other liabilities | | 18 | - | 21 |
| Total liabilities | | 1,286 | 2,437 | 2,262 |
| Net assets (liabilities) | | 35,367 | 38,409 | 39,318 |
| Equity | | | | |
| Reserves | 9.1 | 27,597 | 31,036 | 31,036 |
| Accumulated funds | | 7,770 | 7,373 | 8,282 |
| Total equity | | 35,367 | 38,409 | 39,318 |

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

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

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

* Certain numbers shown do not correspond to the 2019-2020 Financial Statements. For details regarding the restated balances, please refer to note 12.

Statement of Cash Flows for the year ended 30 June 2021

| | Notes | 2021 Budget \$'000 | 2021 Actual \$'000 | 2020* Restated \$'000 |
|---|-------|--------------------------|--------------------------|-----------------------------|
| | | Inflows (Outflows) | Inflows (Outflows) | Inflows (Outflows) |
| Cash flows from operating activities | | | | |
| <i>Cash inflows</i> | | | | |
| Appropriation receipts - operating | | 7,400 | 7,003 | 7,247 |
| Appropriation receipts - capital | | 80 | 11 | - |
| Grants | | 372 | 218 | - |
| Sales of foods and services | | 172 | 210 | 286 |
| GST receipts | | 364 | 252 | 366 |
| Other cash receipts | | - | 9 | 71 |
| Total cash inflows | | 8,388 | 7,703 | 7,970 |
| <i>Cash outflows</i> | | | | |
| Employee benefits | | (3,645) | (4,573) | (4,030) |
| GST Payments | | (364) | (252) | (260) |
| Grants and subsidies | | (59) | (39) | (54) |
| Supplies and consumables | | (4,144) | (2,511) | (2,497) |
| Other cash payments | | (46) | (81) | (557) |
| Total cash outflows | | (8,258) | (7,456) | (7,398) |
| Net cash from (used by) operating activities | 10.2 | 130 | 247 | 572 |
| Cash flows from investing activities | | | | |
| <i>Cash outflows</i> | | | | |
| Payments for acquisition of non-financial assets | | (130) | (19) | (342) |
| Total cash outflows | | (130) | (19) | (342) |
| Net cash from / (used by) investing activities | | (130) | (19) | (342) |
| Cash flows from financing activities | | | | |
| <i>Cash outflows</i> | | | | |
| Repayment of lease liabilities (excluding interest) | | - | (261) | (235) |
| Total cash outflows | | - | (261) | (235) |
| Net cash from/(used by) financing activities | | - | (261) | (235) |
| Net increase / (decrease) in cash and cash equivalents held | | - | (33) | (5) |
| Cash and cash equivalents at the beginning of the reporting period | | 106 | 101 | 106 |
| Cash and cash equivalents at the end of the reporting period | 10.1 | 106 | 68 | 101 |

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

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

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

* Certain numbers shown do not correspond to the 2019-2020 Financial Statements. For details regarding the restated balances, please refer to note 12.

Statement of Changes in Equity for the year ended 30 June 2021

| | Notes | Reserves \$'000 | Accumulated Funds \$'000 | Total Equity \$'000 |
|----------------------------|-------|--------------------|--------------------------------|---------------------------|
| Balance as at 1 July 2020 | | 31,036 | 8,282 | 39,318 |
| Total comprehensive result | | - | (909) | (909) |
| Balance as at 30 June 2021 | | 31,036 | 7,373 | 38,409 |

| | Reserves \$'000 | Accumulated Funds \$'000 | Total Equity \$'000 |
|----------------------------|--------------------|--------------------------------|---------------------------|
| Balance as at 1 July 2019 | 27,597 | 8,761 | 36,358 |
| Total comprehensive result | 3,439 | (479) | 2,960 |
| Balance as at 30 June 2020 | 31,036 | 8,282 | 39,318 |

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

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

Notes to and forming part of the Financial Statements for the year ended 30 June 2021

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Note 1 Legislature-General Output Schedules

1.1 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

| | 2021 Budget \$'000 | 2021 Actual \$'000 | 2020 Actual \$'000 |
|---|--------------------------|--------------------------|--------------------------|
| Income from continuing operations | | | |
| Revenue from appropriation | 1,088 | 747 | 793 |
| Total revenue from continuing operations | 1,088 | 747 | 793 |
| Expenses from continuing operations | | | |
| Employee benefits | 978 | 661 | 845 |
| Supplies & consumables | 110 | 86 | 33 |
| Total expenses from continuing operations | 1,088 | 747 | 878 |
| Net result | - | - | (85) |
| Expense by output | | | |
| Parliamentary reporting service | | 747 | 877 |
| Total | | 747 | 877 |
| Net Assets | | | |
| Total assets deployed for Parliamentary reporting service | | - | - |
| Total liabilities incurred for Parliamentary reporting service | | (130) | (121) |
| Net assets deployed for Parliamentary Reporting Services | | (130) | (121) |

Output Group 2 – Parliamentary Library Service

| | 2021 Budget \$'000 | 2021 Actual \$'000 | 2020 Actual \$'000 |
|--|--------------------------|--------------------------|--------------------------|
| Income from continuing operations | | | |
| Revenue from appropriation | 1,138 | 1,089 | 1,073 |
| Total revenue from continuing operations | 1,138 | 1,089 | 1,073 |
| Expenses from continuing operations | | | |
| Employee benefits | 1,061 | 1,018 | 1,098 |
| Supplies & consumables | 77 | 71 | 88 |
| Total expenses from continuing operations | 1,138 | 1,089 | 1,186 |
| Net result | - | - | (113) |
| Expense by output | | | |
| Parliamentary library service | | 1,089 | 1,186 |
| Total | | 1,089 | 1,186 |
| Net Assets | | | |
| Total assets deployed for Parliamentary library service | | - | - |
| Total liabilities incurred for Parliamentary library service | | (423) | (393) |
| Net assets deployed for Parliamentary Library Service | | (423) | (393) |

Output Group 3 – Parliamentary Printing and Systems

| | 2021 Budget \$'000 | 2021 Actual \$'000 | 2020 Actual \$'000 |
|---|--------------------------|--------------------------|--------------------------|
| Income from continuing operations | | | |
| Revenue from appropriation | 1,398 | 1,241 | 1,320 |
| Other revenue | - | 9 | 68 |
| Total revenue from continuing operations | 1,398 | 1,250 | 1,388 |
| Expenses from continuing operations | | | |
| Employee benefits | 747 | 878 | 849 |
| Supplies & consumables | 367 | 363 | 307 |
| Depreciation | 284 | 333 | 304 |
| Total expenses from continuing operations | 1,398 | 1,575 | 1,460 |
| Net result | - | (324) | (72) |
| Expense by output | | | |
| Parliamentary printing and systems | | 1,575 | 1,460 |
| Total | | 1,575 | 1,460 |
| Net Assets | | | |
| Total assets deployed for Parliamentary printing and systems | | 1,272 | 1,486 |
| Total liabilities incurred for Parliamentary printing and systems | | (348) | (324) |
| Net assets deployed for Parliamentary Printing and Systems | | 923 | 1,162 |

Output Group 4 – Joint Services

| | 2021 Budget \$'000 | 2021 Actual \$'000 | 2020 Restated \$'000 |
|--|--------------------------|--------------------------|----------------------------|
| Income from continuing operations | | | |
| Revenue from appropriation | 3,776 | 4,153 | 4,061 |
| Other revenue | - | 218 | 274 |
| Total revenue from continuing operations | 3,776 | 4,371 | 4,335 |
| Expenses from continuing operations | | | |
| Employee benefits | 869 | 1,634 | 1,421 |
| Grants & transfer payments | 59 | 39 | 54 |
| Supplies & consumables | 3,590 | 2,489 | 2,253 |
| Cost of goods sold | - | 180 | 189 |
| Depreciation | 304 | 477 | 570 |
| Finance costs | - | 14 | 13 |
| Other expenses | 46 | 123 | 44 |
| Total expenses from continuing operations | 4,868 | 4,956 | 4,544 |
| Net result | (1,092) | (585) | (209) |
| Expense by output | | | |
| Joint Services | | 4,956 | 4,544 |
| Total | | 4,956 | 4,544 |
| Net Assets | | | |
| Total assets deployed for joint services | | 39,574 | 40,094 |
| Total liabilities incurred for joint services | | (1,536) | (1,424) |
| Net assets deployed for Joint Services | | 38,039 | 38,670 |

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

| | 2021 Budget \$'000 | 2021 Actual \$'000 | 2020 Restated \$'000 |
|---|--------------------------|--------------------------|----------------------------|
| Total comprehensive result of Output Groups | (468) | (909) | (479) |
| Change in Asset Revaluation Reserve | - | - | 3,439 |
| Comprehensive result | (468) | (909) | 2,960 |

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

| | 2021 Actual \$'000 | 2020 Restated \$'000 |
|---|--------------------------|----------------------------|
| Total net assets deployed for Output Groups | 38,415 | 39,220 |
| Reconciliation to net assets | | |
| Assets unallocated to Output Groups | - | 257 |
| Liabilities unallocated to Output Groups | - | (159) |
| Net Assets | 38,415 | 39,318 |

Note 2 Explanations of Material Variances between Budget and Actual Outcomes

Budget information refers to original estimates as disclosed in the 2010-21 Budget Papers and is not subject to audit.

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

2.1 Statement of Comprehensive Income

| | Note | Budget \$'000 | Actual \$'000 | Variance \$'000 | Variance % |
|----------------------------|------|------------------|------------------|--------------------|---------------|
| Grants | (a) | 372 | 218 | (154) | (41) |
| Sale of goods and services | (b) | 172 | 217 | 45 | 26 |
| Employee benefits | (c) | 3,655 | 4,191 | (536) | (15) |
| Depreciation | (d) | 588 | 935 | (347) | (59) |
| Cost of goods sold | (e) | - | 180 | (180) | (180) |
| Supplies and consumables | (f) | 4,144 | 2,882 | 1,262 | 30 |
| Grants and subsidies | (g) | 59 | 39 | 20 | 34 |
| Other expenses | (h) | 46 | 123 | (77) | 167 |

Notes to Statement of Comprehensive Income variances

(a) The decrease in grants income is due works financed by the Public Building Maintenance Fund being unable to be completed during the financial year.

(b) & (e) The budget figure for sale of goods and services is net of the cost of goods sold. Expenditure was higher than expected.

(c) Employee benefits is higher than expected due to significant leave balances.

(d) A higher than budgeted value of depreciating assets is due to significant asset purchases in the prior financial year.

(f) The decrease in supplies and consumables is due to the efficiency of operation of Legislature-General.

(g) Grants and subsidies are decreased due to subsidy waiver due to COVID-19.

(h) The increase in other expenses is due to workers compensation insurance from previous year being paid in current financial year.

2.2 Statement of Financial Position

Budget estimates for the 2020-21 Statement of Financial Position were compiled prior to the completion of the actual outcomes for 2020-21. As a result, the actual variance from the Original Budget estimate will be impacted by the difference between estimated and actual opening balances for 2020-21. The following variance analysis therefore includes major movements between the 30 June 2020 and 30 June 2021 actual balances.

| Note | Budget | 2021 Actual | 2020 Actual | Budget Variance | Actual Variance |
|---------------------------|---------|-------------|-------------|-----------------|-----------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | % |
| Cash and cash equivalents | (a) 106 | 68 | 101 | (38) | (36) |
| Receivables | (b) 205 | 95 | 87 | (110) | (54) |
| Other liabilities | (c) 18 | - | 21 | 18 | 180 |

Notes to Statement of Financial Position variances

- (a) Cash and cash equivalents are lower than budgeted due to other variances in the Statement of Comprehensive income. Please refer to Statement of Cashflows for further information.
- (b) The decrease in receivables is due to efficiency in receiving expected payments.
- (c) The increase in Other liabilities is due to higher than expected outstanding invoices at end of the financial year.

2.3 Statement of Cash Flows

| Note | Budget | Actual | Variance | Variance |
|--|-------------|---------|----------|----------|
| | \$'000 | \$'000 | \$'000 | % |
| Grants | (a) 372 | 218 | (154) | (41) |
| Sale of goods and services | (b) 172 | 210 | 38 | 22 |
| GST receipts | (c) 364 | 252 | (112) | (31) |
| Other cash receipts | (d) - | 9 | 9 | 100 |
| Employee benefits | (e) (3,645) | (4,573) | (928) | (25) |
| GST Payments | (f) (364) | (252) | 112 | 31 |
| Grants and subsidies | (g) (59) | (39) | 20 | 33 |
| Supplies and consumables | (h) (4,144) | (2,772) | 1,372 | 49 |
| Other cash payments | (i) (46) | (81) | (35) | 76 |
| Payments for acquisition of non-financial assets | (j) (130) | (19) | 111 | 85 |

Notes to Statement of Cash Flows variances

- (a) The decrease in grants income is due works financed by the Public Building Maintenance Fund being unable to be completed during the financial year.
- (b) The budget figure for sale of goods and services is net of the cost of goods sold. Expenditure was higher than expected.
- (c) GST receipts are lower than expected due to parliament proroguing due to the State election and therefore a reduction in catering services to service Members.
- (d) Other cash receipts include miscellaneous cost recoveries and are not a regular source of income and hence not included as a budget item.
- (e) Employee benefits are higher than expected due to significant leave balances.
- (f) GST payments are lower than expected due to planned capital works projects being unable to be completed.
- (g) Grants and subsidies are decreased due to subsidy waiver due to COVID-19.
- (h) The decrease in supplies and consumables is due to the efficiency of operation of Legislature-General.
- (i) The increase in other cash payments is due to workers compensation insurance from previous year being paid in current financial year.
- (j) The decrease in acquisition of non-financial assets is due to planned specialist heritage building work was unable to be undertaken to due availability of contractors.

Note 3 Underlying net result

Non-operational capital funding is the income from continuing operations relating to funding for capital projects. This funding is classified as revenue from continuing operations and included in the Net result from continuing operations. However, the corresponding capital expenditure is not included in the calculation of the Net result from continuing operations. Accordingly, the Net result from continuing operations will portray a position that is better than the true underlying financial result.

For this reason, the Net result from continuing operations is adjusted to remove the effects of funding for capital projects.

| | Note | 2021 Budget \$,000 | 2021 Actual \$'000 | 2020 Restated \$'000 |
|---|------|--------------------------|--------------------------|----------------------------|
| Net result from continuing operations | | (468) | (909) | (479) |
| <i>Less impact of:</i> | | | | |
| <i>Non-operational capital funding</i> | | | | |
| Revenue from Government – capital | | 80 | 11 | - |
| Total | | (548) | (898) | (479) |
| Underlying Net result from continuing operations | | (548) | (898) | (479) |

Note 4 Revenue

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

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

4.1 Revenue from Government

Appropriations, whether operating or capital, are recognised as revenues in the period in which Legislature General gains control of the appropriated funds as they do not contain enforceable and sufficiently specific obligations as defined by AASB 15. Except for any amounts identified as carried forward, control arises in the period of appropriation.

Revenue from Government includes revenue from appropriations, unexpended appropriations rolled over under section 23 of the Financial Management Act 2016 and Items Reserved by Law.

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

In the 2019-20 comparative year, Revenue from Government included appropriations carried forward under section 8A(2) of the now repealed Public Account Act 1986, and taken up as revenue in the current year.

Section 8A(2) of the Public Account Act allowed 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 (2018-19), the carry forward was recognised as a liability, Revenue Received in Advance. The carry forward from the initial year was recognised as revenue in the reporting year, assuming that the conditions of the carry forward were met and the funds were expended.

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

| | 2021 Budget \$'000 | 2021 Actual \$'000 | 2020 Actual \$'000 |
|---|--------------------------|--------------------------|--------------------------|
| Continuing operations | | | |
| Appropriation revenue – operating Current year | 7,400 | 7,003 | 7,247 |
| Appropriation revenue - capital | 80 | 11 | - |
| Total revenue from Government from continuing operations | 7,480 | 7,014 | 7,247 |
| Total revenue from Government | 7,480 | 7,014 | 7,247 |

4.2 Grants

Grant revenue, where there is a sufficiently specific performance obligation attached, are recognised when Legislature-General satisfies the performance obligation and transfers the promised goods or services. Legislature-General typically satisfies its performance obligations when Parliament House maintenance services have been received and Legislature-General has made payment for the service. Legislature-General recognises revenue associated with performance obligations when control of the asset (typically cash) is gained.

| | 2021 Budget \$'000 | 2021 Actual \$'000 | 2020 Actual \$'000 |
|---|--------------------------|--------------------------|--------------------------|
| Grants without sufficiently specific performance obligations | | | |
| Public Building Maintenance Fund | 372 | 218 | - |
| Total revenue from Grants | 372 | 218 | - |

4.3 Sales of goods and services

Revenue from Sales of goods are recognised when Legislature-General satisfies a performance obligation by transferring the promised goods or services to the customer.

| Goods and Services | Nature of timing of satisfaction of performance obligation, including significant payment terms | Revenue recognition policies | | |
|---------------------------------|---|--|--------------------------|--------------------------|
| Parliamentary catering services | Legislature-General typically satisfies the performance obligation when goods and services are provided | Legislature-General recognised revenue with performance obligations when goods and services are provided | | |
| | | 2021 Budget \$'000 | 2021 Actual \$'000 | 2020 Actual \$'000 |
| Catering services | | 172 | 217 | 274 |
| Total | | 172 | 217 | 274 |

4.4 Other revenue

Revenue from cost recoveries are recognised when the revenue is controlled by Legislature-General.

| | 2021 Actual \$'000 | 2020 Actual \$'000 |
|-------------------------------|--------------------------|--------------------------|
| Miscellaneous cost recoveries | 9 | 68 |
| Total | 9 | 68 |

Note 5 Expenses

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

5.1 Employee benefits

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

(a) Employee expenses

| | 2021 | 2020 |
|--|--------------|--------------|
| | \$'000 | \$'000 |
| Wages and salaries | 3,291 | 3,354 |
| Annual leave | 284 | 165 |
| Long service leave | 176 | 221 |
| Superannuation – defined contribution scheme | 245 | 290 |
| Superannuation – defined benefit scheme | 59 | 69 |
| Other employee expenses | 136 | 114 |
| Total | 4,191 | 4,213 |

Superannuation expenses relating to defined benefit schemes relate to payments into the Public Account. 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 12.95 per cent (2020: 12.95 per cent) of salary.

Superannuation expenses relating to defined contribution schemes are paid directly to superannuation funds at a rate of 9.5 per cent (2020: 9.5 per cent) of salary. In addition, departments are also required to pay into the Public Account a "gap" payment equivalent to 3.45 per cent (2020: 3.45 per cent) of salary in respect of employees who are members of contribution schemes.

(b) Remuneration of Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of Legislature-General, directly or indirectly.

Remuneration during 2020-21 for key personnel is set by the *Parliamentary Privilege Act 1898*. Remuneration and other terms of employment are specified in employment contracts. Remuneration includes salary, motor vehicle and other non-monetary benefits. Long-term employee expenses include long service leave and superannuation obligations.

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

(c) Related party transactions

In accordance with AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors, related party transactions are material if they could, individually or collectively, influence the economic decisions that users make on the basis of the financial statements judged in the surrounding circumstances. The size or nature of the item, or a combination of both, could be the determining factor. The Clerks are required to determine the materiality of any related party transactions.

The Clerks are also required to determine if additional action is required to ensure compliance with the disclosure requirements of AASB 124, including identification of related parties, identification of related party transactions and the adequacy of these disclosures.

A close family member of one of the Clerks is employed as the Manager of Parliamentary Catering Services and is paid based on the Tasmania State service award rates.

5.2 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.

Key estimate and judgement

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

| | |
|------------------------|-------------|
| Buildings | 100 years |
| Office equipment | 10 years |
| Furniture and fittings | 5 years |
| Computer Equipment | 3 years |
| Right-of-use assets | 3 - 7 years |

| | 2021 Actual \$'000 | 2020 Restated \$'000 |
|---------------------------|--------------------------|----------------------------|
| Buildings | 320 | 300 |
| Right-of-use assets | 278 | 269 |
| Plant & equipment | 337 | 331 |
| Total depreciation | 935 | 900 |

5.3 Supplies and consumables

| | 2021 Actual \$'000 | 2020 Restated \$'000 |
|--------------------------------------|--------------------------|----------------------------|
| Lease expense paid to other entities | 233 | 17 |
| Lease expense paid to government | 380 | 393 |
| Communications | 84 | 99 |
| Audit fees – financial audit | 25 | 23 |
| Audit fees – internal audit | 65 | 55 |
| Information technology | 150 | 234 |
| Property services | 1,369 | 1,276 |
| Printing & supplies | 281 | 240 |
| Special project | 41 | 67 |
| Other supplies and consumables | 252 | 245 |
| Total | 2,882 | 2,649 |

Audit fees paid or payable to the Tasmanian Audit Office for the audit of the Council's financial statements were \$24,780 (2019-20, \$23,000).

5.4 Grants and subsidies

Grant and subsidies expenditure is recognised to the extent that:

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

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

| | 2021 \$'000 | 2020 \$'000 |
|---|----------------|----------------|
| Subsidy - Commonwealth Parliamentary Association London | - | 14 |
| Subsidy – Commonwealth Parliamentary Association Tasmanian Branch | 39 | 39 |
| Total | 39 | 54 |

5.5 Finance costs

All finance costs area expensed as incurred using the effective interest method.

| | 2021 Actual \$'000 | 2020 Restated \$'000 |
|-------------------------------|--------------------------|----------------------------|
| Interest on lease liabilities | 17 | 19 |
| Total finance costs | 17 | 19 |

5.6 Other expenses

Expenses from Salary on-costs are recognised when the expense is incurred.

| | 2021 \$'000 | 2020 \$'000 |
|---|----------------|----------------|
| Salary on-costs – workers compensation premiums | 123 | 44 |
| Total | 123 | 44 |

Note 6 Assets

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

6.1 Receivables

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

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

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

| | 2021 \$'000 | 2020 \$'000 |
|--------------------------|----------------|----------------|
| Total | 95 | 87 |
| Settled within 12 months | 95 | 87 |
| Total | 95 | 87 |

6.2 Inventories

Inventories held for distribution are valued at cost adjusted, when applicable, for any loss of service potential. Inventories acquired for no cost or nominal consideration are valued at current replacement cost.

Inventories are measured using the lower of cost or net realisable value cost formula.

| | 2021 | 2020 |
|-----------------------------|-----------|-----------|
| | \$'000 | \$'000 |
| Stock on hand – Dining Room | 24 | 24 |
| Stock on hand - Bistro | 8 | 7 |
| Total | 32 | 31 |
| Consumed within 12 months | 32 | 31 |
| Total | 32 | 31 |

6.3 Property, Plant and equipment

(i) Valuation basis

Property, plant and equipment is recorded at fair value less accumulated depreciation. Heritage assets comprising antique furniture, artworks and artefacts are recorded at fair value. All other Non-current physical assets, including work in progress, are recorded at historic cost less accumulated depreciation and accumulated impairment losses. All assets within a class of assets are measured on the same basis.

Cost includes expenditure that is directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

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

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

(ii) Subsequent Costs

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

(iii) Asset recognition threshold

The asset capitalisation threshold adopted by 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). Antique furniture and artworks and artefacts are treated as discrete groups of assets and all items in these groups are recorded as non-current assets.

(iv) Revaluations

Legislature-General has adopted a revaluation threshold of \$5,000.

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

Assets are revalued with sufficient regularity to ensure they reflect fair value at balance date.

(v) Assets in respect of leases where Legislature-General is the lessor

Legislature-General leases office equipment under operating leases with rental payments payable quarterly.

(a) Carrying amount

| | 2021 | 2020 |
|---|---------------|---------------|
| | \$'000 | \$'000 |
| Land | | |
| At fair value (30 June 2020) | 5,800 | 5,800 |
| Total | 5,800 | 5,800 |
| Buildings | | |
| At fair value (30 June 2020) | 32,700 | 32,700 |
| | (920) | (600) |
| Total | 31,780 | 32,100 |
| Plant and equipment | | |
| At cost | 6,193 | 6,177 |
| Less: Accumulated amortisation | (4,905) | (4,572) |
| | 1,288 | 1,605 |
| Work in progress (at cost) | 362 | 343 |
| Total | 1,650 | 1,948 |
| Heritage and cultural assets | | |
| Antique Furniture at fair value (30 June 2020) | 145 | 145 |
| Artworks and Artefacts at fair value (30 June 2020) | 347 | 347 |
| Total | 491 | 492 |
| Total property, plant and equipment | 39,721 | 40,340 |

The latest revaluations of land and buildings as at 30 June 2018 were independently conducted by the Office of the Valuer-General. The revaluation was based on fair value in accordance with AASB 116 Property, Plant & Equipment and AASB 13 Fair Value Measurement.

The latest revaluations of Antique Furniture and Artworks and Artefacts as at 30 June 2020 were independently conducted by Mr A F Colman, Approved Government Valuer and Mr W N Hurst, Fine Art Consultant. Valuations were based on a replacement value. The revaluation movements are reflected on a gross basis in the comprehensive result and asset revaluation reserve.

(b) Reconciliation of movements

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

| | Land Level 3 | Buildings Level 3 | Plant and equipment | Furniture and Fittings | Heritage and cultural assets Level 3 | WIP | Total |
|--|-----------------|----------------------|------------------------|---------------------------|---|--------|--------|
| 2021 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Carrying value at 1 July | 5,800 | 32,100 | 1,605 | 2 | 491 | 343 | 40,340 |
| <i>Gains/losses recognised in operating result</i> | | | | | | | |
| Additions | - | - | 16 | - | - | 19 | 35 |
| Depreciation and amortisation | - | (320) | (333) | (2) | - | - | (657) |
| Carrying value at 30 June | 5,800 | 31,780 | 1,288 | - | 491 | 362 | 39,721 |

| | Land Level 3 | Buildings Level 3 | Plant and equipment | Furniture and Fittings | Heritage and cultural assets Level 3 | WIP | Total |
|--|-----------------|----------------------|------------------------|---------------------------|---|---------|---------|
| 2020 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Carrying value at 1 July | 5,000 | 29,700 | 489 | 7 | 552 | 1,443 | 37,192 |
| Transfer from WIP | - | - | 1,291 | - | - | - | 1,291 |
| Transfer out of WIP | - | - | - | - | - | (1,291) | (1,291) |
| <i>Gains/losses recognised in operating result</i> | | | | | | | |
| Additions | - | - | 150 | - | - | 191 | 341 |
| Revaluation increments (Decrements) | 800 | 2,700 | - | - | (61) | - | 3,439 |
| Depreciation and amortisation | - | (300) | (326) | (5) | - | - | (632) |
| Carrying value at 30 June | 5,800 | 32,100 | 1,605 | 2 | 491 | 343 | 40,340 |

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

| Description | Fair value at 30 June | Significant unobservable inputs used in valuation | Possible alternative values for level 3 inputs | Sensitivity of fair value to changes in level 3 inputs |
|------------------------------|-----------------------|--|--|--|
| | \$'000 | | | |
| Land | 5,800 | A – Limited use of asset | When valuing this asset, their existing use and unlikely alternative uses, are taken into account by valuers. As a result, it is most unlikely that alternative values will arise unless there are more changes in known inputs. | Not applicable |
| Buildings | 31,780 | A – Construction costs B – Economic conditions C – Remaining useful life | When valuing this asset, their existing use and unlikely alternative uses, are taken into account by valuers. As a result, it is most unlikely that alternative values will arise unless there are more changes in known inputs. | Not applicable |
| Heritage and cultural assets | 491 | A – Rarity of asset B – Age of asset C – Condition of asset | Valuing artwork and artefacts is an inexact science and it is not likely, that alternative values, applying other inputs would result in materially different values. | Not applicable |

6.4 Right-of-use-assets

AASB 16 requires Legislature-General to recognise a right-of-use asset, where it has control of the underlying asset over the lease term. A right-of-use asset is measured at the present value of initial lease liability, adjusted by any lease payments made at or before the commencement date and lease incentives, any initial direct costs incurred, and estimated costs of dismantling and removing the asset or restoring the site.

Legislature-General has elected not to recognise right-of-use assets and lease liabilities arising from short-term leases, rental arrangements for which Finance-General has substantive substitution rights over the assets and leases for which the underlying asset is of low-value. Substantive substitution rights relate primarily to office accommodation. An asset is considered low-value when it is expected to cost less than \$10 000.

Right-of-use assets are depreciated over the shorter of the assets useful life and the term of the lease. Where Legislature-General obtains ownership of the underlying leased asset or if the cost of the right-of-use asset reflects that Legislature-General will exercise a purchase option, Legislature-General depreciates the right-of-use asset over its useful life.

| 2021 | Buildings \$'000 | Total \$'000 |
|-------------------------------|---------------------|-----------------|
| Carrying value at 1 July | 896 | 896 |
| Additions | 228 | 228 |
| Depreciation and amortisation | (277) | (277) |
| Carrying value at 30 June | 847 | 847 |

| 2020 Restated | Buildings \$'000 | Total \$'000 |
|-------------------------------|---------------------|-----------------|
| Carrying value at 1 July | - | - |
| Additions | 1,165 | 1,165 |
| Depreciation and amortisation | (269) | (269) |
| Carrying value at 30 June | <u>896</u> | <u>896</u> |

6.5 Other Assets

(a) Carrying amount

| | 2021 \$'000 | 2020 \$'000 |
|--|----------------|----------------|
| Other current assets | | |
| Prepayments | 84 | 125 |
| Total | <u>84</u> | <u>125</u> |
| Recovered within 12 months | 84 | 125 |
| Recovered in more than 12 months | - | - |
| Total cash and cash equivalents | <u>84</u> | <u>125</u> |

Note 7 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.

7.1 Payables

Payables, including goods received and services incurred but not yet invoiced, are recognised at amortised cost, which due to the short settlement period, equates to face value, when Legislature-General becomes obliged to make future payments as a result of a purchase of assets and services.

| | 2021 \$'000 | 2020 \$'000 |
|--------------------------|----------------|----------------|
| Creditors | 116 | 92 |
| Accrued Expenses | 163 | 46 |
| Total | <u>279</u> | <u>138</u> |
| Settled within 12 months | 279 | 138 |
| Total | <u>279</u> | <u>138</u> |

Settlement is usually made within 14 days

7.2 Lease Liabilities

A lease liability is measured at the present value of the lease payments that are not paid at that date. The discount rate used to calculate the present value of the lease liability is the rate implicit in the lease. Where the implicit rate is not known and cannot be determined the Tascorp indicative lending rate including the relevant administration margin is used.

Legislature-General has elected not to recognise right-of-use assets and lease liabilities arising from short-term leases, rental arrangements for which Department of Treasury and Finance has substantive substitution rights over the assets and leases for which the underlying asset is of low-value. Substantive substitution rights relate primarily to office accommodation. An asset is considered low-value when it is expected to cost less than \$10 000.

Legislature-General has entered into the following leasing arrangements:

| Class of right-of-use asset | Details of leasing arrangements | |
|-----------------------------|---|-------------|
| Buildings | Legislative Council Member regional offices | |
| | 2021 | 2020 |
| | Actual | Restated |
| | \$'000 | \$'000 |
| Current | | |
| Lease liabilities | 253 | 250 |
| Non-current | | |
| Lease liabilities | 595 | 612 |
| Total | 848 | 862 |

The following amounts are recognised in the statement of Comprehensive Income:

| | 2021 | 2020 |
|--|-------------|-------------|
| | \$'000 | \$'000 |
| Interest on lease liabilities included in note 5.5 | 17 | 19 |
| Lease expenses included in note 5.3: | 233 | 17 |
| Short term and/or low-value leases | 14 | 14 |
| Net expenses from leasing activities | 266 | 50 |

7.3 Provisions

Key estimate and judgement

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.

(a) Carrying amount

| | 2021 | 2020 |
|---------------------------------|-------------|-------------|
| | Actual | Restated |
| | \$'000 | \$'000 |
| Provision for lease make-good | 89 | 87 |
| Total | 89 | 87 |
| Utilised within 12 months | 18 | - |
| Utilised in more than 12 months | 71 | 87 |
| Total | 89 | 87 |

The lease make-good provision provides for work to be carried out at the expiry of each of the office lease periods to restore the premises to the original condition prior to fit on occupation. The provision is measured at present value.

(b) Reconciliation of movement in provisions

| | 2021 Actual \$'000 | 2020 Restated \$'000 |
|------------------------|--------------------------|----------------------------|
| Balance at 1 July | 87 | 87 |
| Changes in discounting | 2 | - |
| Balance at 30 June | 89 | 87 |

7.4 Employee benefit liabilities

Key estimate and judgement

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

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

| | 2021 Actual \$'000 | 2020 Actual \$'000 |
|--|--------------------------|--------------------------|
| Accrued salaries | 90 | 73 |
| Annual leave | 471 | 403 |
| Long service leave | 660 | 557 |
| Superannuation | -* | 119 |
| Total | 1,221 | 1,154 |
| Expected to settle wholly within 12 months | 641 | 631 |
| Expected to settle wholly after 12 months | 580 | 521 |
| Total | 1,221 | 1,154 |

* Superannuation in this financial year is included in the accrued salaries, annual leave and long service leave.

7.5 Superannuation

(i) Defined contribution plans

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

(ii) Defined benefit plans

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

Key estimate and judgement

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

7.6 Other Liabilities

| | 2021 \$'000 | 2020 \$'000 |
|---|----------------|----------------|
| Employee benefit liabilities – on costs | - | 21 |
| Total | - | 21 |
| Settled within 12 months | - | 21 |
| Total | - | 21 |

Note 8 Commitments and Contingencies

8.1 Schedule of Commitments

Commitments represent those contractual arrangements entered by Legislature-General that are not reflected in the Statement of Financial Position.

Leases are recognised as right-of-use assets and lease liabilities in the Statement of Financial Position, excluding short term leases and leases for which the underlying asset is of low value, which are recognised as an expense in the Statement of Comprehensive Income.

| | 2021 \$'000 | 2019 \$'000 |
|--|----------------|----------------|
| By type | | |
| Other commitments | | |
| Photocopiers | 5 | 14 |
| Motor vehicles | 9 | - |
| Total other commitments | 14 | 14 |
| By maturity | | |
| Operating lease commitments | | |
| One year or less | 9 | - |
| From one to five years | 5 | 14 |
| Total operating lease commitments | 14 | 14 |
| Total | 14 | 14 |

8.2 Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Statement of Financial Position due to uncertainty regarding any possible amount or timing of any possible underlying claim or obligation.

(a) Quantifiable contingencies

A quantifiable contingent asset is any possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

A quantifiable contingent liability is any possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or any present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

The Legislature-General has no quantifiable contingent Assets and Liabilities.

(b) Unquantifiable contingencies

At 30 June 2021, Legislature-General has recognised that contingent liabilities may exist in relation to certain employee entitlements. It is not possible at the reporting date to accurately estimate the amounts of any eventual payments that may be required.

Note 9 Reserves

9.1 Reserves

| 2021 | Land | Buildings | Heritage & Cultural assets | Total |
|--|--------|-----------|----------------------------|--------|
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Asset revaluation reserve | | | | |
| Balance at the beginning of financial year | 3,651 | 26,997 | 388 | 31,036 |
| Balance at end of financial year | 3,651 | 26,997 | 388 | 31,036 |
| 2020 | Land | Buildings | Heritage & Cultural assets | Total |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Asset revaluation reserve | | | | |
| Balance at the beginning of financial year | 2,851 | 24,297 | 449 | 27,597 |
| Revaluation increments/(decrements) | 800 | 2,700 | (61) | 3,439 |
| Balance at end of financial year | 3,651 | 26,997 | 388 | 31,036 |

a) Nature and purpose of reserves

Asset revaluation reserve

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

Note 10 Cash Flow Reconciliation

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

10.1 Cash and cash equivalents

Cash and cash equivalents includes the balance of the Specific Purpose Accounts held by Legislature-General, and other cash held, excluding those accounts which are administered or held in a trustee capacity or agency arrangement.

| | 2021 Actual \$'000 | 2020 Restated \$'000 |
|--|--------------------------|----------------------------|
| Specific Purpose Account balances | | |
| Legislature-General operating account | 68 | 101 |
| Total | 68 | 101 |
| Total cash and cash equivalents | 68 | 101 |

10.2 Reconciliation of Net Result to Net Cash from Operating Activities

| | 2021 | 2020 |
|---|------------|------------|
| | \$'000 | \$'000 |
| Net result | (909) | (479) |
| Depreciation and amortisation | 935 | 900 |
| Decrease (increase) in Receivables | (8) | 118 |
| Decrease (increase) in Prepayments | 41 | (39) |
| Decrease (increase) in inventories | (1) | 4 |
| Increase (decrease) in Employee entitlements | 67 | 193 |
| Increase (decrease) in Payables | 141 | (149) |
| Increase (decrease) in other liabilities | (19) | 24 |
| Net cash from (used by) operating activities | 247 | 572 |

Note 11 Financial Instruments

11.1 Risk Exposures

(a) Risk management policies

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

- credit risk; and
- liquidity risk.

The Clerks as the accountable authority 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 Legislature-General if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

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 any collateral or other security.

The value of receivables as at 30 June is immaterial and with an expected loss rate of 0% the value of receivables is recorded at the gross carrying amount as at balance date.

(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.

Legislature-General does not have any significant exposure to liquidity risk.

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:

| 2021 | Maturity analysis for financial liabilities | | | | | | | |
|------------------------------|---|-----------|------------|------------|----------|-------------------|--------------------|-----------------|
| | 1 Year | 2 Years | 3 Years | 4 Years | 5 Years | More than 5 Years | Undiscounted Total | Carrying Amount |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Financial liabilities | | | | | | | | |
| Payables | 279 | - | - | - | - | - | - | 279 |
| Lease liabilities | 33 | 84 | 118 | 359 | - | 194 | - | 788 |
| Total | 312 | 84 | 118 | 359 | - | 194 | - | 1,067 |

| 2020 | Maturity analysis for financial liabilities | | | | | | | |
|------------------------------|---|-----------|------------|------------|------------|-------------------|--------------------|-----------------|
| | 1 Year | 2 Years | 3 Years | 4 Years | 5 Years | More than 5 Years | Undiscounted Total | Carrying Amount |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Financial liabilities | | | | | | | | |
| Payables | 138 | - | - | - | - | - | - | 138 |
| Lease liabilities | 45 | 64 | 124 | 325 | 266 | - | - | 824 |
| Other liabilities | 21 | - | - | - | - | - | - | 21 |
| Total | 204 | 64 | 124 | 325 | 266 | - | - | 983 |

11.2 Categories of Financial Assets and Liabilities

| | 2021 | 2020 |
|------------------------------|--------------|--------------|
| | \$'000 | \$'000 |
| Financial assets | | |
| Receivables | 95 | 87 |
| Total | 95 | 87 |
| Financial Liabilities | | |
| Trade Creditors | 279 | 138 |
| Lease liabilities | 848 | 862 |
| Other liabilities | - | 21 |
| Total | 1,127 | 1,021 |

Note 12 Correction for Prior Period Error

In preparation of the 2020-21 financial statements, Legislature-General identified assets that are leased by Legislature-General but have not previously been recognised as Right-of-use assets (RoUA) under AASB16 which became operational in 2019-2020. The total recognition of Right-of-use assets (RoUA) and corresponding lease liability is \$1,077,747 in 2018-2019.

Comparatives have been restated in the Statement of Comprehensive Income, Statement of Financial Position and Statement of Changes in Equity. These changes are a result of prior period errors in accordance with AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors.

| Financial statement line items affected | 1 July 2019 | | | 2019-20 | | |
|--|--|-------------------------------|---------------------------|--|-------------------------------|---------------------------|
| | Published financial statements \$'000 | Correction of error \$'000 | Restated actual \$'000 | Published financial statements \$'000 | Correction of error \$'000 | Restated actual \$'000 |
| Statement of financial position | | | | | | |
| Property, plant and equipment | | | | 40345 | (6) | 40,339 |
| Right-of-Use assets | - | 1,078 | 1,078 | - | 1,078 | 1,078 |
| Accumulated depreciation | - | - | - | - | (253) | (253) |
| Intangible assets | - | 87 | 87 | - | 87 | 87 |
| Accumulated amortisation | - | - | - | - | (15) | (15) |
| Total assets | 37,623 | 1,165 | 38,788 | 40,689 | 891 | 41,580 |
| Provision for lease liability | - | 1,078 | 1078 | - | 862 | 862 |
| Provisions | - | 87 | 87 | - | 87 | 87 |
| Total liability | 1,266 | 1,165 | 2,431 | 1,312 | 949 | 2,261 |
| Accumulated funds | | | | 8,343 | (60) | 8,283 |
| Reserves | | | | 31,034 | - | 31,034 |
| Total equity | | | | 39,377 | (60) | 39,317 |
| Statement of Comprehensive income | | | | | | |
| Depreciation and amortisation expense | | | | 624 | 276 | 900 |
| Finance costs | | | | - | 19 | 19 |
| Supplies and consumables | | | | 1,572 | (235) | 1,337 |
| Total expenses from continuing operations | | | | 8,008 | 60 | 8,068 |
| Operating results for the year | | | | (419) | (60) | (479) |
| Total comprehensive income | | | | 3,020 | (60) | 2,960 |

Note 13 Events Occurring After Balance Date

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 2021.

Note 14 Other Significant Accounting Policies and Judgements

14.1 Objectives and Funding

Legislature-General's objectives 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.

Legislature-General is structured to meet the following outcomes:

- 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 a not-for-profit entity that is predominantly funded through Parliamentary appropriations. It also provides a catering service on a fee for service basis. Fees are charged and determined by management. The financial statements encompass all funds through which Legislature-General controls resources to carry on its functions.

14.2 Basis of Accounting

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

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

The Financial Statements were signed by the Clerks on 13 August 2021.

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 consistent with the previous year except for those changes outlined in Note 12.5.

14.3 Reporting Entity

The Financial Statements include all the controlled activities of Legislature-General.

14.4 Functional and Presentation Currency

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

14.5 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 1059 Service Concession Arrangements: Grantors** – This Standard prescribes the accounting for a service concession arrangement by a grantor that is a public sector entity. Service concession arrangements are contracts between an operator and a grantor, where the operator provides public services related to a service concession asset on behalf of the grantor for a specified period of time and manages at least some of those services.

Where AASB 1059 applies, the grantor recognises the service concession asset when the grantor obtains control of the asset and measures the service concession asset at current replacement cost. At the same time, the grantor recognises a corresponding financial liability or unearned revenue liability or a combination of both.

The modified retrospective approach, permitted under AASB 1059, has been adopted, by recognising and measuring service concession assets and related liabilities as the date of

initial application of 1 July 2019, with any net adjustments to the amounts of assets and liabilities recognised in accumulated funds at that date.

There is no financial impact in adopting AASB 1059.

14.6 Comparative Figures

Comparative figures have been adjusted to reflect any changes in accounting policy or the adoption of new standards.

14.7 Rounding

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

14.8 Taxation

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

14.9 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.

