



LEGISLATURE-GENERAL

ANNUAL REPORT

2021-22

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

LEGISLATURE-GENERAL

ANNUAL REPORT

2021-22

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Executive Summary

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 2021-22 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

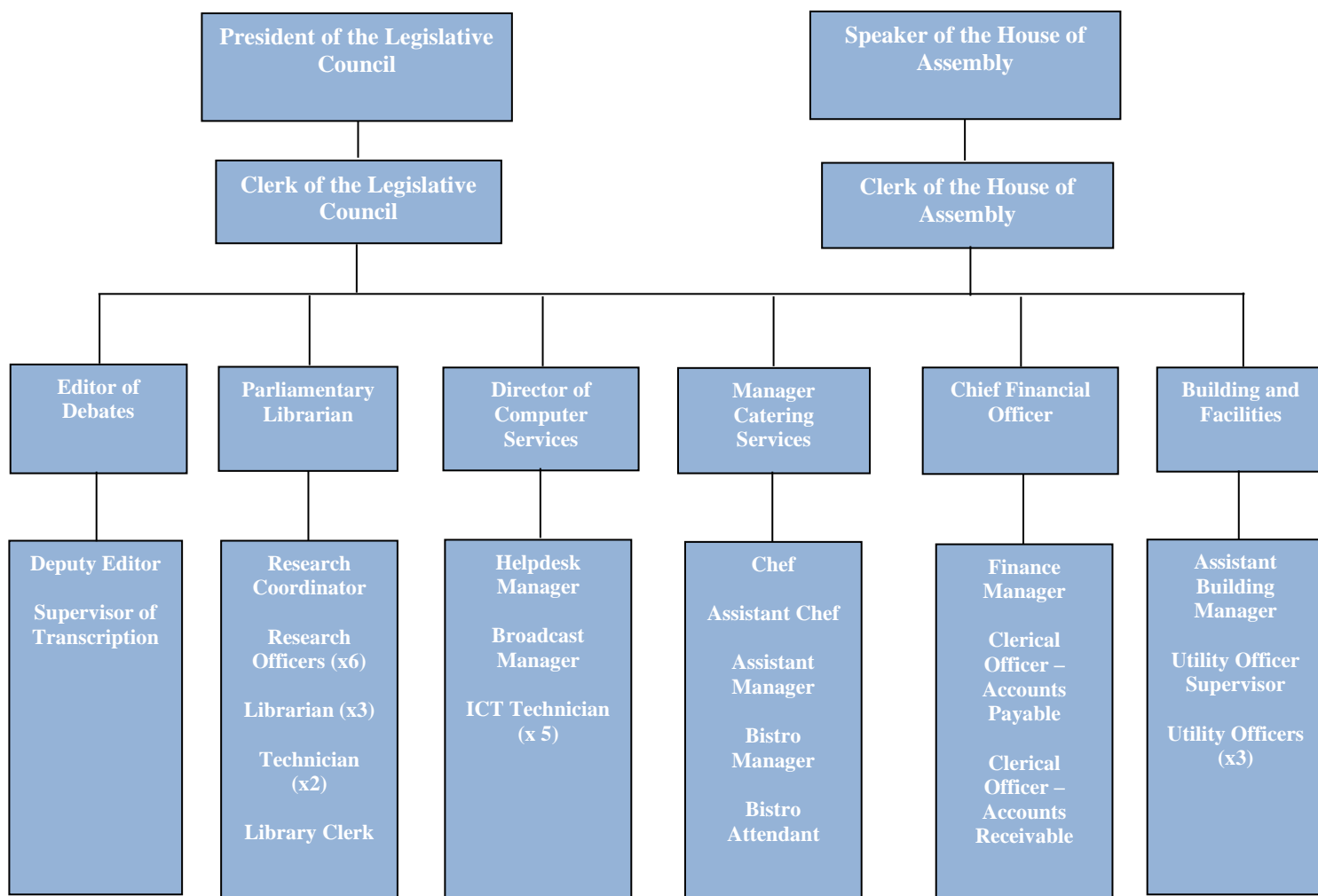
Corporate Structure

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 2022 is set out below:

Legislature General



House Committee

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 2022 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 2022, Ms Stephanie Hesford, Clerk-Assistant and Sergeant-at-Arms House of Assembly, held the position of Secretary.

HANSARD PRODUCTION

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

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

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

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

The production of the many hours of committee transcripts follows a similar process without the requirement for the readers to check the transcript. Committee transcripts are sent to the appropriate committee secretary for committee consideration.

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

These changes are aimed at improving efficiencies by reducing error rates and slippages in production time frames. These changes have been introduced slowly and sensitively, and training sessions have been held to enable staff to use these innovations with confidence. Feedback has been positive and some staff have taken ownership of the process and suggested changes.

RISK MANAGEMENT

Hansard continues to assess risk management matters such as technological issues, retention of key staff, staff welfare, accommodation and the ongoing challenges associated with the current pandemic.

Hansard comprises the largest work unit on sitting days within the parliament and interruption to the work of the unit impacts directly on the services provided to Members through the non-provision of *Hansard*.

CHAMBER MONITORING

In order for Hansard to correctly identify the Member speaking and the business being undertaken in the Chamber, a Hansard monitor has been working from a location in each Chamber, using the Bookmark function of Liberty Court Recorder to provide information to the transcription and editing teams.

A risk management assessment was undertaken of the monitoring positions in each Chamber. It was revealed that the two work areas were not suitable for long-term work and posed a serious risk to the occupational health and safety of the staff who work in these areas. A replacement location in the Salamanca Building was identified. A preliminary assessment was undertaken, which indicated that it was a much superior working environment to the Chamber locations. The location is closer to the committee rooms and the main Hansard work area, and facilities such as the kitchen and rest rooms. Preliminary work was undertaken to furnish the new space with appropriate work stations, computer services, and broadcast access to view the Chamber proceedings remotely. It is planned to have the new location functionally operating for the August 2022 parliamentary sittings.

COVID-19 PANDEMIC WORK ARRANGEMENTS

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

Even though both Chambers have returned to the previous sitting patterns pre-COVID, Hansard still adheres to COVID-safe work practices, including provision of hand sanitiser and the cleaning of desks and other work surfaces on a regular basis. Staff are encouraged to continue wearing masks in the work area in line with the directions of Public Health and the Presiding Officers.

Some committee witnesses are still appearing over the Webex system rather than in person, and Hansard is able to record and transcribe their evidence as if they were present in the committee rooms.

REDUCTION IN COSTS OF PRODUCING HANSARD TRANSCRIPTS

Transcripts of proceedings are still provided to Members as an electronic copy to reduce COVID-19 transmission through multiple handling of the paper document. This change has reduced paper consumption and running costs such as ink and toner associated with providing hard copy documents.

The production of *Hansard* transcripts as an electronic document has been widely accepted. The requirement for two large photocopies was assessed and it was decided not to renew the lease for one machine. This has reduced leasing costs and also costs of paper, ink and toner.

Hansard continues to deposit transcripts of debates of both Chambers with the State Library of Tasmania through the National edeposit service (NED). Legal deposit with Libraries Tasmania is required for print, digital and audio-visual publications, including government publications, in accordance with the Libraries Act 1984. This process has meant that the Parliament of Tasmania can still comply with its legislative obligations while reducing paper consumption further and ensuring that debate transcripts are preserved digitally into the future.

ASSESSING OF NEW TECHNOLOGY

With the approval of the Governance Committee, an assessment is being undertaken of the Automatic Speech to Text function of the Liberty Court Recorder system using the Liberty Post-Production Manager. This function provides the capacity to send the sound stream from the Liberty Court Recorder to the Microsoft Azure Speech-to-Text engine for processing by the Azure Cognitive Speech Service.

At this stage, preliminary evaluation is encouraging with the system providing a high level of accuracy of the converted speech to text. The fact that this is an extension of the existing program means that costs are being kept to a minimum and the product is also supported by the existing support contract.

Testing and evaluation is continuing.

STATISTICS OF SITTING AND COMMITTEE HOURS

The following is a comparison of sitting hours in each Chamber and for Parliamentary Committees for the financial years 2016-17 to 2021 -22:

House of Assembly Sitings - 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
2021-22 - 310 hours 2 minutes ** Parliament prorogued 6 April 2022

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
2021-22 = 208 hours 17 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
2021-22 = 49 hours 30 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
2021022 = 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
2021-22 = 71 hours 45 minutes

Estimates Committee and Government Business Enterprise Committees -

These figures are provided for the years 2016 to 2022. Due to the COVID-19 pandemic, the scheduled Estimates Committee hearings for June 2020 were re-scheduled to November 2020. Estimates Committee hearings were also held in September 2021 and June 2022, thus having two Estimates Committee hearings in the one financial year. The 2022 hearings of the Government Business Enterprise Committees are scheduled for November/December.

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 |
| 2021 = 65 hours 16 minutes | GBE = 14 hours |
| 2022 = 61 hours | |

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 |
| 2021 = 67 hours 10 minutes | GBE = 13 hours 21 minutes |
| 2022 = 58 hours 46 minutes | |

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.

A joint Library Committee is established by Parliament at the commencement of every session of Parliament, consisting of six members from both Houses. As at 30 June 2022 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 | Ms. Lara Alexander MP |
| Hon. Ruth Forrest MLC | Dr. Shane Broad MP |
| Hon. Jane Howlett 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 administers relevant policies concerning the Library and Research Service and the Parliamentary Museum.

The primary purpose of the Library and Research Service is to provide an efficient and timely information and research service to Members and Officers of the Parliament, by offering access to relevant library collections, electronic resources, and research briefings and notes. The Library and Research Service provides information and research services within a neutral environment, ensuring confidentiality and timeliness of service delivery.

The current staff of the Parliamentary Library and Research Service includes: the Parliamentary Librarian, Research Co-Ordinator, three librarians, six research officers, two library technicians, and a library clerk.

LIBRARY SERVICE

The Library offers a wide range of services, including a reference service, library education, individualised services for Members, inter-library loans, access to curated information resources, and information support for committees. The Library also offers a number of media monitoring services, including daily indexing of articles on Tasmanian politics and current affairs included in the Mercury, Advocate, Examiner, and the Australian. In addition to the newspaper content, media releases are added to the searchable index. Access to other media content includes a comprehensive range of online regional newspapers, television broadcasts from the ABC, WIN and 7 News, and ABC radio broadcasts (North and South). Transcripts are provided upon request.

The Library Service responded to 681 reference queries during 2021/22, with 194 more complex queries completed. A total of 24,606 articles were added to the newspaper clippings index.

RESEARCH SERVICE

The Parliamentary Research Service provides Members with written or oral briefings on subjects of interest to them. The scope of this research activity includes confidential research notes and papers for individuals, Parliamentary Committees research support, and compilation of statistics. The service also maintains a wide range of information resources and assists the Library with reference queries and selection of research content. The Research Service continues to provide timely responses and detailed analysis to Members of Parliament, their staff and committees of both Houses.

The Research Service also participates in the Parliamentary Internship Scheme which allows University of Tasmania students to undertake a research project for a Member of the Tasmanian Parliament. In 2021/2022 research staff participated in 26 regular meetings with interns.

In 2021/22 the Parliamentary Research Service received and completed 164 research requests, including 14 oral briefings.

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 2021/22, the Computer and Electronic Services unit undertook a number of key projects and tasks including:

- Replaced Master Clock system for Parliament House including S1 and S2 of Parliament Square and relocated the Master Clock servers to the Computer Server Room.
- Decommission old electorate office for Janie Finlay MP in Kings Meadows and setup networking and ICT installation for Janie Finlay Labor Electorate office.
- Replaced Parliament House node of combined Gallagher Security Servers.
- Installed a Gallagher Nedap reader on the Parliament House Murray Street Gate. Added Access control to Flag and Plant room. Added CCTV into the Flag and plant room. Upgraded CCTV camera to PTZ at the rear of the kitchen. Designed a new master key system for Parliament House and replaced every lock within the building.
- Purchased and designing a SAN system for House of Assembly.
- Replaced 12 desktop computers for the Parliamentary Library and Research service. Tested and rolling out Windows 11 on new computers.
- Designed and installed an integrated audio system into the Reception Room so functions can be broadcast from this location. Added an additional camera location to the Long Room for Estimates and other broadcasting.
- Upgraded the Inflo recording system in the Broadcast system to allow quicker video rendering of files for publishing on Website.
- Senior ICT staff training on Cloud services, Cloud Administrator, Exchange in the Cloud and Microsoft Office 365. Testing and Tagging course for two ICT staff.
- Purchased Microsoft Office 365 licences for ICT Team to test cloud services. Commissioned an AZURE services presence.
- Setup and testing cloud service Speech to Text utilising Liberty conversion tools for Hansard transcription.
- Developed an ICT staff Uniform policy and designed and purchased Parliamentary ICT Uniforms for all staff.

- Replaced and upgraded fifty computers and laptops, twenty-five Apple I-pad's and Apple I-phone's and two new servers for the virtual server environment including licencing for a data centre environment.
- Advertised and appointed two new ICT staff to fill vacant positions.
- Setup new Legislative Council Rosevears regional office, including new data network, new security installation and video conferencing facility.
- Upgraded virus and threat protection software, Web certificates, desktop management software and new Helpdesk software.
- As a trial converted three regional offices wide area network to Tasmanet.
- Expanded the security network to include the Parliament House facade lighting infrastructure.
- Extended the House of Assembly chamber timing system into the Broadcast studio for closer monitoring of members speech times.
- Three state-wide three-day regional office trips for security and ICT maintenance and upgrades including Henty House video conference, virtual server and audio maintenance. Four northern day trips for support and other issues.
- Re-wired electrical circuits in ICT Helpdesk office on S2 to rectify architectural design floor where UPS/generator power is located.
- Setup new member office in Parliament House including networking, door security, MATV and telephony. Replaced 6 normal desks with sit/stand desks in the ICT offices.
- Engaged a Web Redesign Project Manager to review, meet with stakeholders and upgrade the Parliament Website to a CMS style platform and to comply with accessibility and other requirements,

Output 4.1 – Building Operations

The Facilities and Services teams are responsible for building management of not only one of the most significant heritage buildings in the state being Parliament House but also management of the Parliament areas in Parliament square, this consists of maintenance, repairs, preventive maintenance, cleaning, general waste & recycling management, HVAC management, contractor management, furniture and art collection management. Also, maintenance and fit out of the regional Legislative Council Members offices.

Some achievements from the past year have been:

- Appointment of New Facilities and Services Manager
- Installation of a new Chiller and pumps to service both the Legislative Council and House of Assembly Chambers
- Extra Covid-19 cleaning
- Plus 6524 standard cleaning hours carried out so far this year

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.

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 are 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 comestibles. The Service aims to showcase all of Tasmania's wineries, breweries and distilleries with our prime objective to support the Tasmanian Food, Wine and Beverage Industry.

In this reporting period, the Parliamentary Catering Service resumed full service following the Covid 19 restrictions of 2020/2021. Function bookings are on the increase as stakeholders gain confidence in safe, social gatherings within the Parliamentary precinct.

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 2022:

LEGISLATIVE COUNCIL

Hon. Rob Valentine MLC, Chair

Hon. Tania Rattray MLC

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 House Assembly. As at 30 June 2022, Mr Scott Hennessy held the position of Secretary.

Reports:

- Tasman Highway – Hobart Airport to Midway Point Causeway
- Mersey Community Hospital – Theatres and Outpatient Clinics Redevelopment Project
- Royal Hobart Hospital Intensive Care Unit Expansion Project and Paediatric Outpatients Relocation Project
- New Bridgewater Bridge
- Lyell Highway – Queenstown to Strahan Safety Upgrade Project
- Midland Highway 10 Year Action Plan – Final Stage
- Northern Roads Package
- Bass Highway Upgrade – Wynyard to Marrawah
- Mental Health Service St John's Park Facility
- Royal Hobart Hospital Emergency Department Expansion Stage 1
- Tasman Highway-Sideling Upgrade
- Burnie Court Complex
- Burnie Ambulance Station
- Royal Hobart Hospital Stage 2 – J-Block Redevelopment

Meetings:

During the reporting period, the Committee met on 22 occasions, such meetings being held in Burnie, Epping Forest, Hobart, Latrobe, Launceston, Queenstown, Scottsdale and Smithton.

PARLIAMENTARY STANDING COMMITTEE ON SUBORDINATE LEGISLATION

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

Members as at 30 June 2022:

LEGISLATIVE COUNCIL

Hon. Tania Rattray MLC (Chair)

Hon. Ruth Forrest MLC

Hon. Leonie Hiscutt MLC

HOUSE OF ASSEMBLY

Ms Lara Alexander MP

Ms. Janie Finlay MP (Deputy Chair)

Mr Simon Wood 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 2022, Ms Julie Thompson held the position of Secretary.

The Committee's functions are set out in section 8 of the Subordinate Legislation Committee 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 2022:

LEGISLATIVE COUNCIL

Hon. Rob Valentine MLC, Chair

Hon. Jo Palmer MLC, Deputy Chair

Hon. Rosemary Armitage MLC

HOUSE OF ASSEMBLY

Ms. Michelle O'Byrne MP

Hon. Mark Shelton MP

Hon. Nic Street MP

The Secretary of the Joint Standing Committee on Integrity is a Committee Secretary from the House of Assembly. As at 30 June 2022, Ms Fiona Murphy held the position of Secretary.

Section 24 of the *Integrity Commission Act* sets out the functions and powers of the Joint Committee. 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 for the committee's purposes under the Act to include the Integrity Commission, the Ombudsman, 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.

PARLIAMENTARY 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 2022:

HOUSE OF ASSEMBLY

Dr. Shane Broad MP (Deputy Chair)

Mr Felix Ellis MP

Mr John Tucker MP

LEGISLATIVE COUNCIL

Hon. Ruth Forrest MLC (Chair)

Hon. Meg Webb MLC

Hon. Josh Willie MLC

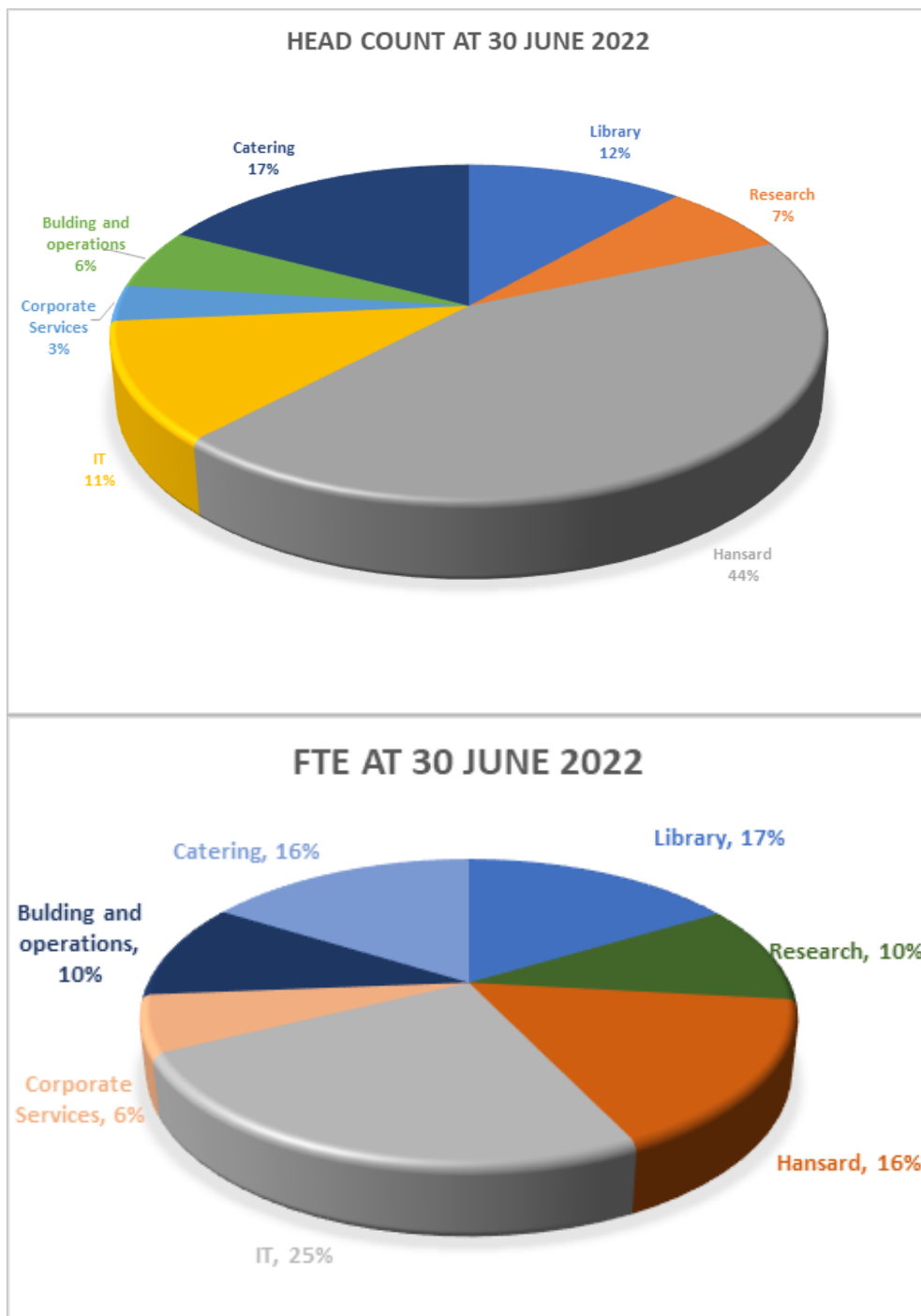
The Secretary of the Joint Standing Committee of Public Accounts is a Committee Secretary from the Legislative Council. As at 30 June 2022, Mr Simon Scott held the position of Secretary.

Section 6 of the 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.

A Governance Committee structure now guides decision making across the joint areas of responsibility. The Governance Committee is the primary decision-making body for managers and staff 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



Financial Statements for the year ended 30 June 2022



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 2022 and statements of comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, other explanatory notes and the statement of certification by the Clerk of the Legislative Council and Clerk of the House of Assembly (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 2022 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.

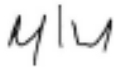
As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- 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

the 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

4 November 2022
Hobart

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Statement of Certification

The accompanying Financial Statements of the Legislature General are in agreement with the relevant accounts and records and have been prepared in compliance with the Treasurer's Instructions issued under the provisions of the *Financial Management Act 2016* to present fairly the financial transactions for the year ended 30 June 2022 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
9 August 2022



Shane Donnelly
Clerk of the House of Assembly
9 August 2022

Statement of Comprehensive Income for the year ended 30 June 2022

| | Notes | 2022 Budget \$'000 | 2022 Actual \$'000 | 2021 Actual \$'000 |
|--|-------|--------------------------|--------------------------|--------------------------|
| Income from continuing operations | | | | |
| Revenue from Government | | | | |
| Appropriation revenue – operating | 4.1 | 7,580 | 7,591 | 7,003 |
| Appropriation revenue – capital | 4.1 | 69 | 69 | 11 |
| Other revenue from government | 4.1 | 120 | 120 | - |
| Grants | 4.2 | 154 | - | 218 |
| Sales of goods and services | 4.3 | 172 | 293 | 217 |
| Other revenue | 4.4 | - | - | 9 |
| Total revenue from continuing operations | | 8,095 | 8,073 | 7,458 |
| Expenses from continuing operations | | | | |
| Employee benefits | 5.1 | 3,925 | 4,152 | 4,191 |
| Depreciation and amortisation | 5.2 | 588 | 808 | 935 |
| Cost of goods sold | | - | 231 | 180 |
| Supplies and consumables | 5.3 | 3,956 | 2,844 | 2,892 |
| Grants and subsidies | 5.4 | 59 | 54 | 39 |
| Finance costs | 5.5 | - | 16 | 17 |
| Other expenses | 5.6 | 46 | 98 | 123 |
| Total expenses from continuing operations | | 8,574 | 8,203 | 8,368 |
| Net result from continuing operations | | (479) | (130) | (909) |
| Total Comprehensive Result | | (479) | (130) | (909) |

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.

Statement of Financial Position as at 30 June 2022

| | Notes | 2022 Budget \$'000 | 2022 Actual \$'000 | 2021 Actual \$'000 |
|---------------------------------|-------|--------------------------|--------------------------|--------------------------|
| Assets | | | | |
| <i>Financial assets</i> | | | | |
| Cash and cash equivalents | 10.1 | 101 | 109 | 68 |
| Receivables | 6.1 | 87 | 48 | 95 |
| <i>Non-financial assets</i> | | | | |
| Inventories | 6.2 | 31 | 32 | 32 |
| Property, plant and equipment | 6.3 | 39,344 | 39,551 | 39,720 |
| Right of use Assets | 6.4 | - | 699 | 847 |
| Other Assets | 6.5 | 125 | 123 | 84 |
| Total assets | | 39,688 | 40,562 | 40,846 |
| Liabilities | | | | |
| Payables | 7.1 | 138 | 310 | 279 |
| Lease Liabilities | 7.2 | - | 722 | 848 |
| Provisions | 7.3 | - | 90 | 89 |
| Employee benefit liabilities | 7.4 | 1,174 | 1,161 | 1,221 |
| Other liabilities | | 21 | - | - |
| Total liabilities | | 1,333 | 2,283 | 2,437 |
| Net assets (liabilities) | | 38,355 | 38,279 | 38,409 |
| Equity | | | | |
| Reserves | 9.1 | 31,037 | 31,036 | 31,036 |
| Accumulated funds | | 7,318 | 7,243 | 7,373 |
| Total equity | | 38,355 | 38,279 | 38,409 |

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

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

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

Statement of Cash Flows for the year ended 30 June 2022

| | Notes | 2022 Budget \$'000 | 2022 Actual \$'000 | 2021 Actual \$'000 |
|---|-------|--------------------------|--------------------------|--------------------------|
| | | Inflows (Outflows) | Inflows (Outflows) | Inflows (Outflows) |
| Cash flows from operating activities | | | | |
| <i>Cash inflows</i> | | | | |
| Appropriation receipts - operating | | 7,580 | 7,681 | 7,003 |
| Appropriation receipts - capital | | 69 | 69 | 11 |
| Appropriation receipts - other | | 120 | 120 | - |
| Grants | | 154 | - | 218 |
| Sales of foods and services | | 172 | 248 | 210 |
| GST receipts | | 364 | 330 | 252 |
| Other cash receipts | | - | - | 9 |
| Total cash inflows | | 8,459 | 8,448 | 7,703 |
| <i>Cash outflows</i> | | | | |
| Employee benefits | | (3,915) | (4,159) | (4,573) |
| GST Payments | | (364) | (330) | (252) |
| Grants and subsidies | | (59) | (54) | (39) |
| Supplies and consumables | | (3,956) | (3,134) | (2,511) |
| Other cash payments | | (46) | (114) | (81) |
| Total cash outflows | | (8,340) | (7,791) | (7,456) |
| Net cash from (used by) operating activities | 10.2 | 119 | 657 | 247 |
| Cash flows from investing activities | | | | |
| <i>Cash outflows</i> | | | | |
| Payments for acquisition of non-financial assets | | (119) | (370) | (19) |
| Total cash outflows | | (119) | (370) | (19) |
| Net cash from / (used by) investing activities | | (119) | (370) | (19) |
| Cash flows from financing activities | | | | |
| <i>Cash outflows</i> | | | | |
| Repayment of lease liabilities (excluding interest) | | - | (233) | (261) |
| Total cash outflows | | - | (233) | (261) |
| Net cash from/(used by) financing activities | | - | (233) | (261) |
| Net increase / (decrease) in cash and cash equivalents held | | - | 41 | (33) |
| Cash and cash equivalents at the beginning of the reporting period | | 101 | 68 | 101 |
| Cash and cash equivalents at the end of the reporting period | 10.1 | 101 | 109 | 68 |

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

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

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

Statement of Changes in Equity for the year ended 30 June 2022

| | Notes | Reserves \$'000 | Accumulated Funds \$'000 | Total Equity \$'000 |
|----------------------------|-------|--------------------|--------------------------------|---------------------------|
| Balance as at 1 July 2021 | | 31,036 | 7,373 | 38,409 |
| Total comprehensive result | | - | (130) | (130) |
| Balance as at 30 June 2022 | | 31,036 | 7,243 | 38,279 |

| | | 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 |

This Statement of Changes in Equity should be read in conjunction with 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

| | 2022 Budget \$'000 | 2022 Actual \$'000 | 2021 Actual \$'000 |
|---|--------------------------|--------------------------|--------------------------|
| Income from continuing operations | | | |
| Revenue from appropriation | 922 | 1,142 | 747 |
| Total revenue from continuing operations | 922 | 1,142 | 747 |
| Expenses from continuing operations | | | |
| Employee benefits | | 997 | 661 |
| Supplies & consumables | | 145 | 88 |
| Total expenses from continuing operations | 925 | 1,142 | 747 |
| Net result | (3) | - | - |
| Expense by output | | | |
| Parliamentary reporting service | | 1,142 | 747 |
| Total | | 1,142 | 747 |
| Net Assets | | | |
| Total assets deployed for Parliamentary reporting service | | - | - |
| Total liabilities incurred for Parliamentary reporting service | | (1) | (130) |
| Net assets deployed for Parliamentary Reporting Services | | (1) | (130) |

Output Group 2 – Parliamentary Library Service

| | 2022 Budget \$'000 | 2022 Actual \$'000 | 2021 Actual \$'000 |
|--|--------------------------|--------------------------|--------------------------|
| Income from continuing operations | | | |
| Revenue from appropriation | 1,125 | 1,184 | 1,089 |
| Total revenue from continuing operations | 1,125 | 1,184 | 1,089 |
| Expenses from continuing operations | | | |
| Employee benefits | | 1,110 | 1,018 |
| Supplies & consumables | | 74 | 71 |
| Total expenses from continuing operations | 1,127 | 1,184 | 1,089 |
| Net result | (2) | - | - |
| Expense by output | | | |
| Parliamentary library service | | 1,184 | 1,089 |
| Total | | 1,184 | 1,089 |
| Net Assets | | | |
| Total assets deployed for Parliamentary library service | | - | - |
| Total liabilities incurred for Parliamentary library service | | (440) | (423) |
| Net assets deployed for Parliamentary Library Service | | (440) | (423) |

Output Group 3 – Parliamentary Printing and Systems

| | 2022 Budget \$'000 | 2022 Actual \$'000 | 2021 Actual \$'000 |
|---|--------------------------|--------------------------|--------------------------|
| Income from continuing operations | | | |
| Revenue from appropriation | 1,157 | 1,334 | 1,241 |
| Other revenue | - | - | 9 |
| Total revenue from continuing operations | 1,157 | 1,334 | 1,250 |
| Expenses from continuing operations | | | |
| Employee benefits | | 968 | 878 |
| Supplies & consumables | | 466 | 363 |
| Depreciation | | 214 | 333 |
| Total expenses from continuing operations | 1,277 | 1,548 | 1,575 |
| Net result | (120) | (214) | (324) |
| Expense by output | | | |
| Parliamentary printing and systems | | 1,548 | 1,575 |
| Total | | 1,548 | 1,575 |
| Net Assets | | | |
| Total assets deployed for Parliamentary printing and systems | | 1,112 | 1,272 |
| Total liabilities incurred for Parliamentary printing and systems | | (214) | (348) |
| Net assets deployed for Parliamentary Printing and Systems | | 898 | 923 |

Output Group 4 – Joint Services

| | 2022 Budget \$'000 | 2022 Actual \$'000 | 2021 Restated \$'000 |
|--|--------------------------|--------------------------|----------------------------|
| Income from continuing operations | | | |
| Revenue from appropriation | 4,376 | 4,120 | 4,153 |
| Other revenue | - | 293 | 218 |
| Total revenue from continuing operations | 4,376 | 4,413 | 4,371 |
| Expenses from continuing operations | | | |
| Employee benefits | | 1,177 | 1,634 |
| Grants & transfer payments | | 54 | 39 |
| Supplies & consumables | | 2,159 | 2,489 |
| Cost of goods sold | | 231 | 180 |
| Depreciation | | 594 | 477 |
| Finance costs | | 16 | 14 |
| Other expenses | | 98 | 123 |
| Total expenses from continuing operations | 5,245 | 4,329 | 4,956 |
| Net result | (869) | 84 | (585) |
| Expense by output | | | |
| Joint Services | | 4,329 | 4,956 |
| Total | | 4,329 | 4,956 |
| Net Assets | | | |
| Total assets deployed for joint services | | 39,450 | 39,574 |
| Total liabilities incurred for joint services | | (1,628) | (1,536) |
| Net assets deployed for Joint Services | | 37,822 | 38,039 |

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

| | 2022 Budget \$'000 | 2022 Actual \$'000 | 2021 Actual \$'000 |
|---|--------------------------|--------------------------|--------------------------|
| Total comprehensive result of Output Groups | (479) | (130) | (909) |
| Comprehensive result | (479) | (130) | (909) |

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

| | 2022 Actual \$'000 | 2021 Actual \$'000 |
|---|--------------------------|--------------------------|
| Total net assets deployed for Output Groups | 38,279 | 38,409 |
| Reconciliation to net assets | | |
| Assets unallocated to Output Groups | - | - |
| Liabilities unallocated to Output Groups | - | - |
| Net Assets | 38,279 | 38,409 |

Note 2 Explanations of Material Variances between Budget and Actual Outcomes

Budget information refers to original estimates as disclosed in the 2021-22 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) | 154 | - | 154 | 100 |
| Sale of goods and services | (b) | 172 | 293 | 121 | 70 |
| Depreciation | (c) | 588 | 808 | (220) | (37) |
| Cost of goods sold | (d) | - | 231 | (231) | (231) |
| Supplies and consumables | (e) | 3,956 | 2,844 | 1,112 | 28 |
| Other expenses | (f) | 46 | 98 | (52) | (113) |

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) & (d) The budget figure for sale of goods and services is net of the cost of goods sold. Expenditure was higher than expected in accordance with the increased revenue.
- (c) A higher than budgeted value of depreciating assets is due to significant asset purchases in recent financial years.
- (e) The decrease in supplies and consumables is due the capitalisation of expenditure from this budget item.
- (f) The increase in other expenses is related to workers compensation insurance.

2.2 Statement of Financial Position

Budget estimates for the 2021-22 Statement of Financial Position were compiled prior to the completion of the actual outcomes for 2021-22. As a result, the actual variance from the Original Budget estimate will be impacted by the difference between estimated and actual opening balances for 2021-22. The following variance analysis therefore includes major movements between the 30 June 2021 and 30 June 2022 actual balances.

| Note | Budget \$'000 | 2022 | 2021 | Budget | Actual | |
|---------------------------|------------------|------------------|------------------|--------------------|--------------------|-------|
| | | Actual \$'000 | Actual \$'000 | Variance \$'000 | Variance \$'000 | |
| Cash and cash equivalents | (a) | 101 | 109 | 68 | 8 | 41 |
| Receivables | (b) | 87 | 48 | 95 | (39) | (47) |
| Right of use Asset | (c) | - | 699 | 847 | 699 | (148) |
| Payables | (d) | 138 | 310 | 279 | (172) | (31) |
| Lease Liabilities | (e) | - | 722 | 848 | 722 | 126 |

Notes to Statement of Financial Position variances

- (a) Movements in Cash and cash equivalents is due to repayment to Treasury of funds received in prior financial year.
(b) The decrease in receivables is due to proficiency in receiving expected payments.
(c) & (e) The decrease in Other Assets and Lease liabilities is due depreciation under AASB 16
(d) The increase in payables from 2021 is due to PAYG withholding outstanding at 30 June 2022.

2.3 Statement of Cash Flows

| | Note | Budget | Actual | Variance | Variance |
|--|------|---------|---------|----------|----------|
| | | \$'000 | \$'000 | \$'000 | % |
| Grants | (a) | 154 | - | 154 | 100 |
| Sale of goods and services | (b) | 172 | 248 | 76 | 44 |
| Supplies and consumables | (c) | (3,956) | (3,118) | 838 | 21 |
| Other cash payments | (d) | (46) | (114) | (68) | (147) |
| Payments for acquisition of non-financial assets | (e) | (119) | (370) | (251) | (211) |

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 due to higher than expected sales.
(c) The decrease in supplies and consumables is due the capitalisation of expenditure from this budget item.
(d) The increase in other cash payments is due to workers compensation insurance expense.
(e) The increase in acquisition of non-financial assets is due to finalisation of the Parliament Lawns lighting project and replacement of the Water Chiller which provides heating and cooling to Parliament House.

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 | 2022 | 2022 | 2021 |
|---|------------------|------------------|------------------|
| | Budget \$'000 | Actual \$'000 | Actual \$'000 |
| Net result from continuing operations | (479) | (130) | (909) |
| <i>Less impact of:</i> | | | |
| <i>Non-operational capital funding</i> | | | |
| Revenue from Government – capital | - | 69 | 11 |
| Total | (479) | (199) | (920) |
| Underlying Net result from continuing operations | (479) | (199) | (920) |

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.

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

| | 2022 Budget \$'000 | 2022 Actual \$'000 | 2021 Actual \$'000 |
|---|--------------------------|--------------------------|--------------------------|
| <i>Continuing operations</i> | | | |
| Appropriation revenue – operating Current year | 7,560 | 7,591 | 7,003 |
| Appropriation revenue - capital | 69 | 69 | 11 |
| Other revenue from government | 120 | 120 | - |
| Total revenue from Government from continuing operations | 7,769 | 7,780 | 7,014 |
| Total revenue from Government | 7,769 | 7,780 | 7,014 |

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.

| | 2022 Budget \$'000 | 2022 Actual \$'000 | 2021 Actual \$'000 |
|--|--------------------------|--------------------------|--------------------------|
| Grants with sufficiently specific performance obligations | | | |
| Public Building Maintenance Fund | 154 | - | 218 |
| Total revenue from Grants | 154 | - | 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 | | |
| | | 2022 Budget \$'000 | 2022 Actual \$'000 | 2021 Actual \$'000 |
| Catering services | | 172 | 293 | 217 |
| Total | | 172 | 293 | 217 |

4.4 Other revenue

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

| | 2022 Actual \$'000 | 2021 Actual \$'000 |
|-------------------------------|--------------------------|--------------------------|
| Miscellaneous cost recoveries | - | 9 |
| Total | - | 9 |

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

| | 2022 \$'000 | 2021 \$'000 |
|--|----------------|----------------|
| Wages and salaries | 3,428 | 3,291 |
| Annual leave | 234 | 284 |
| Long service leave | 48 | 176 |
| Superannuation – defined contribution scheme | 261 | 245 |
| Superannuation – defined benefit scheme | 45 | 59 |
| Other employee expenses | 136 | 136 |
| Total | 4,152 | 4,191 |

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 (2021: 12.95 per cent) of salary.

Superannuation expenses relating to defined contribution schemes are paid directly to superannuation funds at a rate of 10 per cent (2021: 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 (2021: 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 2021-22 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 the Clerk of the House of Assembly 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 |

| | 2022 Actual \$'000 | 2021 Actual \$'000 |
|---------------------------|--------------------------|--------------------------|
| Buildings | 321 | 320 |
| Right-of-use assets | 267 | 278 |
| Plant & equipment | 220 | 337 |
| Total depreciation | 808 | 935 |

5.3 Supplies and consumables

| | 2022 Actual \$'000 | 2021 Actual \$'000 |
|----------------------------------|--------------------------|--------------------------|
| Regional Office costs | 163 | 233 |
| Lease expense paid to government | 305 | 380 |
| Communications | 73 | 84 |
| Audit fees – financial audit | 28 | 25 |
| Audit fees – internal audit | 18 | 65 |
| Information technology | 337 | 150 |
| Property services | 1,408 | 1,369 |
| Printing & supplies | 225 | 281 |
| Special project | 108 | 41 |
| Other supplies and consumables | 179 | 254 |
| Total | 2,844 | 2,882 |

Audit fees paid or payable to the Tasmanian Audit Office for the audit of Legislature General's financial statements were \$28,270 (2020-21, \$24,780).

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.

| | 2022 \$'000 | 2021 \$'000 |
|---|----------------|----------------|
| Subsidy - Commonwealth Parliamentary Association London | 15 | - |
| Subsidy – Commonwealth Parliamentary Association Tasmanian Branch | 39 | 39 |
| Total | 54 | 39 |

5.5 Finance costs

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

| | 2022 Actual \$'000 | 2021 Restated \$'000 |
|-------------------------------|--------------------------|----------------------------|
| Interest on lease liabilities | 16 | 17 |
| Total finance costs | 16 | 17 |

5.6 Other expenses

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

| | 2022 \$'000 | 2021 \$'000 |
|---|----------------|----------------|
| Salary on-costs – workers compensation premiums | 98 | 123 |
| Total | 98 | 123 |

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.

| | 2022 \$'000 | 2021 \$'000 |
|--------------------------|----------------|----------------|
| Total | 48 | 95 |
| Settled within 12 months | 48 | 95 |
| Total | 48 | 95 |

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.

| | 2022 \$'000 | 2021 \$'000 |
|-----------------------------|----------------|----------------|
| Stock on hand – Dining Room | 23 | 24 |
| Stock on hand - Bistro | 9 | 8 |
| Total | 32 | 32 |
| Consumed within 12 months | 32 | 32 |
| Total | 32 | 32 |

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

| | 2022 \$'000 | 2021 \$'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 |
| Less: Accumulated depreciation | (1,241) | (920) |
| Total | 31,459 | 31,780 |
| Plant and equipment | | |
| At cost | 3,843 | 8,193 |
| Less: Accumulated amortisation | (2,042) | (4,905) |
| | 1,801 | 1,288 |
| Work in progress (at cost) | - | 361 |
| Total | 1,801 | 1,649 |
| 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 | 491 |
| Total property, plant and equipment | 39,551 | 39,720 |

Land and buildings are revalued on a five yearly basis. 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 market movement in the value of land, excluding residential land, in Hobart between 30 June 2018 and 30 June 2020 had shown an increase of 16% and as such the Valuer-General applied this indices to the 2018 valuation.

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 | Heritage and cultural assets Level 3 | WIP | Total |
|--|--------------------|----------------------|------------------------|--|--------|--------|
| 2022 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Carrying value at 1 July | 5,800 | 31,780 | 1,288 | 491 | 362 | 39,721 |
| Gains/losses recognised in operating result | | | | | | |
| Additions | - | - | 370 | - | - | 370 |
| Net transfers | - | - | 362 | - | (362) | - |
| Depreciation and amortisation | - | (321) | (219) | - | - | (540) |
| Carrying value at 30 June | 5,800 | 31,459 | 1,801 | 491 | - | 39,551 |

| | 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 | 1,607 | 2 | 491 | 343 | 40,343 |
| Gains/losses recognised in operating result | | | | | | | |
| Additions | - | - | 14 | - | - | 19 | 33 |
| Depreciation and amortisation | - | (320) | (333) | (2) | - | - | (655) |
| Carrying value at 30 June | 5,800 | 31,780 | 1,288 | - | 491 | 362 | 39,721 |

(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, motor vehicle rental 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.

| | | |
|----------------------------------|------------------|---------------|
| 2022 | Buildings | Total |
| | \$'000 | \$'000 |
| Carrying value at 1 July | 847 | 847 |
| Additions | 104 | 104 |
| Depreciation and amortisation | (252) | (252) |
| Carrying value at 30 June | 699 | 699 |
| 2021 | Buildings | Total |
| | \$'000 | \$'000 |
| Carrying value at 1 July | 896 | 896 |

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| | | |
|----------------------------------|------------|------------|
| Additions | 228 | 228 |
| Depreciation and amortisation | (277) | (277) |
| Carrying value at 30 June | 847 | 847 |

6.5 Other Assets

(a) Carrying amount

| | 2022 | 2021 |
|--|------------|-----------|
| | \$'000 | \$'000 |
| Other current assets | | |
| Prepayments | 123 | 84 |
| Total | 123 | 84 |
| Recovered within 12 months | 123 | 84 |
| Recovered in more than 12 months | - | - |
| Total cash and cash equivalents | 123 | 84 |

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.

| | 2022 | 2021 |
|--------------------------|------------|------------|
| | \$'000 | \$'000 |
| Creditors | 158 | 116 |
| Accrued Expenses | 152 | 163 |
| Total | 310 | 279 |
| Settled within 12 months | 310 | 279 |
| Total | 310 | 279 |

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 the Crown in right of Tasmania 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 |

| | 2022 Actual \$'000 | 2021 Actual \$'000 |
|--------------------|--------------------------|--------------------------|
| Current | | |
| Lease liabilities | 279 | 253 |
| Non-current | | |
| Lease liabilities | 443 | 595 |
| Total | 722 | 848 |

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

| | 2022 \$'000 | 2021 \$'000 |
|--|----------------|----------------|
| Interest on lease liabilities included in note 5.5 | 16 | 17 |
| Regional Office costs included in note 5.3: | 163 | 233 |
| Short term and/or low-value leases | 15 | 14 |
| Net expenses from leasing activities | 194 | 264 |

Maturity analysis of lease liabilities

| | 2022 \$'000 | 2021 \$'000 |
|----------------------|----------------|----------------|
| One year or less | 15 | 33 |
| One to five years | 573 | 561 |
| More than five years | 53 | 254 |
| Total | 722 | 848 |

The lease liability in the maturity analysis is presented using undiscounted contractual amounts before deducting finance charges.

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

| | 2022 Actual \$'000 | 2021 Restated \$'000 |
|---------------------------------|--------------------------|----------------------------|
| Provision for lease make-good | 90 | 89 |
| Total | 90 | 89 |
| Utilised within 12 months | 18 | 18 |
| Utilised in more than 12 months | 72 | 71 |
| Total | 90 | 89 |

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

| | 2022 Actual \$'000 | 2021 Actual \$'000 |
|------------------------|--------------------------|--------------------------|
| Balance at 1 July | 89 | 87 |
| Changes in discounting | 1 | 2 |
| Balance at 30 June | 90 | 89 |

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.

| | 2022 Actual \$'000 | 2021 Actual \$'000 |
|--|--------------------------|--------------------------|
| Accrued salaries | 88 | 90 |
| Annual leave | 415 | 471 |
| Long service leave | 658 | 660 |
| Total | 1,161 | 1,221 |
| Expected to settle wholly within 12 months | 582 | 641 |
| Expected to settle wholly after 12 months | 579 | 580 |
| Total | 1,161 | 1,221 |

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.

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.

| | 2022 \$'000 | 2021 \$'000 |
|--|----------------|----------------|
| By type | | |
| Other commitments | | |
| Photocopiers | 6 | 5 |
| Motor vehicles | 3 | 9 |
| Total other commitments | 9 | 14 |
| By maturity | | |
| Operating lease commitments | | |
| One year or less | 9 | 9 |
| From one to five years | - | 5 |
| Total operating lease commitments | 9 | 14 |
| Total | 9 | 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 2022, 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

| 2022 | Land \$'000 | Buildings \$'000 | Heritage & Cultural assets \$'000 | Total \$'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 |
| 2021 | Land \$'000 | Buildings \$'000 | Heritage & Cultural assets \$'000 | Total \$'000 |
| Asset revaluation reserve | | | | |
| Balance at the beginning of financial year | 3,651 | 26,997 | 388 | 31,036 |

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| | | | | |
|----------------------------------|-------|--------|-----|--------|
| 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.

| | 2022 Actual \$'000 | 2021 Actual \$'000 |
|--|--------------------------|--------------------------|
| Specific Purpose Account balances | | |
| Legislature-General operating account | 109 | 68 |
| Total | 109 | 68 |
| Total cash and cash equivalents | 109 | 68 |

10.2 Reconciliation of Net Result to Net Cash from Operating Activities

| | 2022 \$'000 | 2021 \$'000 |
|---|----------------|----------------|
| Net result | (130) | (909) |
| Depreciation and amortisation | 808 | 935 |
| Decrease (increase) in Receivables | 47 | (8) |
| Decrease (increase) in inventories | - | (1) |
| Decrease (increase) in Other Assets | (39) | 41 |
| Increase (decrease) in Employee entitlements | (60) | 67 |
| Increase (decrease) in Payables | 31 | 141 |
| Increase (decrease) in other liabilities | - | (19) |
| Net cash from (used by) operating activities | 657 | 247 |

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:

| 2022 | Maturity analysis for financial liabilities | | | | | | | Carrying Amount \$'000 |
|-----------------------|---|-------------------|-------------------|-------------------|-------------------|--------------------------------|----------------------------------|---------------------------|
| | 1 Year \$'000 | 2 Years \$'000 | 3 Years \$'000 | 4 Years \$'000 | 5 Years \$'000 | More than 5 Years \$'000 | Undiscou nted Total \$'000 | |
| Financial liabilities | | | | | | | | |
| Payables | 310 | - | - | - | - | - | - | 310 |
| Total | 310 | - | - | - | - | - | - | 310 |

| 2021 | Maturity analysis for financial liabilities | | | | | | | Carrying Amount \$'000 |
|-----------------------|---|-------------------|-------------------|-------------------|-------------------|--------------------------------|----------------------------------|---------------------------|
| | 1 Year \$'000 | 2 Years \$'000 | 3 Years \$'000 | 4 Years \$'000 | 5 Years \$'000 | More than 5 Years \$'000 | Undiscou nted Total \$'000 | |
| Financial liabilities | | | | | | | | |
| Payables | 279 | - | - | - | - | - | - | 279 |
| Total | 279 | - | - | - | - | - | - | 279 |

11.2 Categories of Financial Assets and Liabilities

| | 2022 \$'000 | 2021 \$'000 |
|-----------------------|----------------|----------------|
| Financial assets | | |
| Receivables | 48 | 95 |
| Total | 48 | 95 |
| Financial Liabilities | | |
| Trade Creditors | 310 | 279 |
| Total | 310 | 279 |

Note 12 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 2022.

Note 13 Other Significant Accounting Policies and Judgements

13.1 Changes in Accounting Policies

(a) Impact of new and revised Accounting Standards

The adoption of the new and revised Accounting Standards have no material impact on Legislature-General financial statements.

- AASB 2020-2 and AASB 1060 – Removal of Special Purpose financial reports
- AASB 2020-3 – Narrow Scope Amendments & Improvements to Australian Accounting Standards
- AASB 2020-5 – Insurance Contracts
- AASB 2020-7 – Covid-19 Related Rent Concession: Tier 2 Disclosure
- AASB 2020-8 – Amendments to Australian Accounting Standards-Interest Rate benchmark Reform Phase 2

13.2 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.

13.3 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 9 August 2022.

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.

13.4 Reporting Entity

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

13.5 Functional and Presentation Currency

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

13.6 Comparative Figures

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

13.7 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 "...".

13.8 Taxation

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

13.9 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.