Financial statements

Independent Audit Report

Australian National
Audit Office

INDEPENDENT AUDITOR'S REPORT

To the President of the Senate

I have audited the accompanying financial statements of the Department of the Senate for the year ended 30 June 2014, which comprise: a Statement by the Clerk of the Senate and Chief Finance Officer; Statement of Comprehensive Income; Statement of Financial Position; Statement of Changes in Equity; Cash Flow Statement; Schedule of Commitments; and Notes to and forming part of the Financial Statements including a Summary of Significant Accounting Policies.

The Responsibility of the Clerk of the Senate for the Financial Statements

The Clerk of the Senate is responsible for the preparation of financial statements that give a true and fair view in accordance with the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, including the Australian Accounting Standards, and for such internal control as is necessary to enable the preparation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I have conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. These auditing standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

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Independent Audit Report (continued)

Independence

In conducting my audit, I have followed the independence requirements of the Australian National Audit Office, which incorporate the requirements of the Australian accounting profession.

Opinion

In my opinion, the financial statements of the Department of the Senate:

(a) have been prepared in accordance with the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, including the Australian Accounting Standards; and

(b) give a true and fair view of the matters required by the Finance Minister's Orders including the Department of Senate's financial position as at 30 June 2014 and of its financial performance and cash flows for the year then ended.

Australian National Audit Office

Ron Wah
Audit Principal

Delegate of the Auditor-General

Canberra
26 September 2014

Certification by the Clerk of the Senate and the Chief Finance Officer

AUSTRALIAN SENATE

STATEMENT BY THE CHIEF EXECUTIVE AND CHIEF FINANCE OFFICER

In our opinion, the attached financial statements for the year ended 30 June 2014 are based on properly maintained financial records and give a true and fair view of the matters required by the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, as amended.

Rosemary Laing

(Rosemary Laing)
Clerk of the Senate

26 September 2014

M Crowther

(Michelle Crowther)
Chief Finance Officer

26 September 2014

Department of the Senate

Statement of comprehensive income

for the period ended 30 June 2014

	Notes	2014 $'000	2013 $'000
EXPENSES			
Employee benefits	3A	**16,443**	16,505
Suppliers	3B	**5,331**	5,029
Depreciation and amortisation	3C	**311**	684
Write-down and impairment of assets	3D	**11**	44
Losses from asset sales	3E	**-**	21
TOTAL EXPENSES		**22,096**	22,283
LESS:			
OWN-SOURCE INCOME			
Own-source revenue			
Sale of goods and rendering of services	4A	**372**	422
Total own-source revenue		**372**	422
Gains			
Resources received free of charge	4B	**1,931**	1,881
Total gains		**1,931**	1,881
Total own-source income		**2,303**	2,303
Net cost of services		**19,793**	19,980
Revenue from government	4C	**21,194**	20,484
Surplus/(Deficit)		**1,401**	504
OTHER COMPREHENSIVE INCOME			
Items not subject to subsequent reclassification to net cost of services			
Changes in asset revaluation surplus		**-**	-
Total other comprehensive income		**-**	-
Total comprehensive income/(loss)		**1,401**	504

The above statement should be read in conjunction with the accompanying notes.

Department of the Senate

Statement of financial position

as at 30 June 2014

	Notes	2014 $'000	2013 $'000
ASSETS			
Financial assets			
Cash and cash equivalents	6A	**303**	352
Trade and other receivables	6B	**12,147**	12,862
Total financial assets		**12,450**	13,214
Non-financial assets			
Property, plant and equipment	7A, 7C	**1,251**	1,671
Intangibles	7B, 7C	**2,766**	1,518
Inventories	7D	**45**	35
Other non-financial assets	7E	**229**	135
Total non-financial assets		**4,291**	3,359
TOTAL ASSETS		**16,741**	16,573
LIABILITIES			
Payables			
Suppliers	8A	**356**	589
Other payables	8B	**685**	506
Total payables		**1,041**	1,095
Provisions			
Employee provisions	8C	**4,754**	5,099
Total provisions		**4,754**	5,099
TOTAL LIABILITIES		**5,795**	6,194
NET ASSETS		**10,946**	10,379
EQUITY			
Contributed equity		**1,448**	2,282
Reserves		**11,038**	11,038
Retained surplus (accumulated deficit)		**(1,540)**	(2,941)
TOTAL EQUITY		**10,946**	10,379

The above statement should be read in conjunction with the accompanying notes.

Department of the Senate

Statement of changes in equity

for the period ended 30 June 2014

	Retained earnings		Asset revaluation surplus		Contributed equity/capital		Total equity	
	2014 $'000	2013 $'000	**2014 $'000**	2013 $'000	**2014 $'000**	2013 $'000	**2014 $'000**	2013 $'000
Opening balance								
Balance carried forward from previous period	**(2,941)**	(3,445)	**11,038**	11,038	**2,282**	1,625	**10,379**	9,218
Adjusted opening balance	**(2,941)**	(3,445)	**11,038**	11,038	**2,282**	1,625	**10,379**	9,218
Comprehensive income								
Other comprehensive income	**-**	-	**-**	-	**-**	-	**-**	-
Surplus/(Deficit) for the period	**1,401**	504					**1,401**	504
Total Comprehensive income	**1,401**	504	**-**	-	**-**	-	**1,401**	504
of which: Attributable to the Australian Government	**1,401**	504	**-**	-	**-**	-	**1,401**	504
Transactions with owners **Distribution to owners**								
Restructuring	**-**	-	**-**	-	**(1,492)**	-	**(1,492)**	-
Contribution by owners								
Equity injection – appropriation	**-**	-	**-**	-	**658**	657	**658**	657
Subtotal transactions with owners	**-**	-	**-**	-	**(834)**	657	**(834)**	657
Transfers between equity components	**-**	-	**-**	-	**-**	-	**-**	-
Closing balance as at 30 June	**(1,540)**	(2,941)	**11,038**	11,038	**1,448**	2,282	**10,946**	10,379
Closing balance attributable to the Australian Government	**(1,540)**	(2,941)	**11,038**	11,038	**1,448**	2,282	**10,946**	10,379

The above statement should be read in conjunction with the accompanying notes.

Department of the Senate

Cash flow statement

for the period ended 30 June 2014

	Notes	2014 $'000	2013 $'000
OPERATING ACTIVITIES			
Cash received			
Appropriations		**22,592**	20,399
Sale of goods and rendering of services		**461**	451
Net GST received		**363**	317
Total cash received		**23,417**	21,167
Cash used			
Employees		**16,608**	16,615
Suppliers		**4,246**	3,392
Section 31 receipts transferred to OPA		**1,583**	-
Total cash used		**22,437**	20,007
Net cash from/(used by) operating activities	10	**980**	1,160
INVESTING ACTIVITIES			
Cash received			
Proceeds from sales of property, plant and equipment		**-**	12
Total cash received		**-**	12
Cash used			
Purchase of property, plant and equipment		**102**	53
Purchase of intangibles		**1,248**	1,111
Total cash used		**1,351**	1,164
Net cash from/(used by) investing activities		**(1,351)**	(1,152)
FINANCING ACTIVITIES			
Cash received		**322**	93
Total cash received		**322**	93
Cash used		**-**	-
Total cash used		**-**	-
Net cash from/(used by) financing activities		**322**	93
Net increase/(decrease) in cash held		**(49)**	101
Cash and cash equivalents at the beginning of the reporting period		**352**	251
Cash and cash equivalents at the end of the reporting period	6A	**303**	352

The above statement should be read in conjunction with the accompanying notes.

Department of the Senate

Schedule of commitments

as at 30 June 2014

	2014 $'000	2013 $'000
BY TYPE		
Commitments receivable		
GST recoverable on commitments	**(73)**	(79)
Total commitments receivable	**(73)**	(79)
Commitments payable		
Other commitments		
Operating leases [1]	**17**	58
Goods and services [2 3]	**1,022**	1,089
Total other commitments	**1,039**	1,147
Net commitments by type	**966**	1,068
BY MATURITY		
Commitments receivable		
Other commitments receivable		
One year or less	**(72)**	(67)
From one to five years	**(1)**	(12)
Total other commitments receivable	**(73)**	(79)
Commitments payable		
Operating lease commitments		
One year or less	**16**	38
From one to five years	**1**	20
Total operating lease commitments	**17**	58
Goods and services commitments [3]		
One year or less	**1,008**	979
From one to five years	**14**	110
Total goods and services commitments	**1,022**	1,089
Net commitments by maturity	**966**	1,068

Commitments are GST inclusive where relevant.

1. Operating leases included are effectively non-cancellable and comprise agreements for the provision of motor vehicles to the Clerk and the Presiding Officers and there are no renewal or purchase options available.
2. Goods and services relate to contracts (including purchase orders) lodged with suppliers.
3. This amount excludes an estimated $406,428 that relates to the following: co-ordinated procurements for accommodation and stationery, internal audit arrangements and digitisation of parliamentary records.

The above schedule should be read in conjunction with the accompanying notes.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2014

Note 1: Summary of significant accounting policies

1.1 Objectives of the Department of the Senate

The Department of the Senate (the department) is structured to meet the following outcome:

- Advisory and administrative support services to enable the Senate and senators to fulfil their representative and legislative duties.

The department's not-for-profit activities contributing towards this outcome are classified as departmental. Departmental activities involve the use of assets, liabilities, revenues and expenses controlled or incurred by the department in its own right. Further details of the department's activities are outlined at page 8.

1.2 Basis of preparation of the financial report

The financial statements are required by section 49 of the *Financial Management and Accountability Act 1997* and are general purpose financial statements.

The financial statements and notes have been prepared in accordance with:

(a) Finance Minister's Orders (or FMOs) for reporting periods ending on or after 1 July 2011

(b) Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that apply for the reporting period.

The financial statements have been prepared on an accrual basis and are in accordance with historical cost convention, except for certain assets at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

The financial statements are presented in Australian dollars and values are rounded to the nearest thousand dollars unless otherwise specified.

Unless alternative treatment is specifically required by an accounting standard or the FMOs, assets and liabilities are recognised in the statement of financial position when, and only when, it is probable that future economic benefits will flow to the department or a future sacrifice of economic benefits will be required and the amounts of the assets or liabilities can be reliably measured. However, assets and liabilities arising under executor contracts are not recognised unless required by an accounting standard. Liabilities and assets that are unrecognised are reported in the schedule of commitments (other than unquantifiable or remote contingencies, which are reported at Note 11).

Unless alternative treatment is specifically required by an accounting standard, income and expenses are recognised in the Statement of Comprehensive Income when and only when the flow, consumption or loss of economic benefits has occurred and can be reliably measured.

The continued existence of the department in its present form, and with its present programs, is dependent on continuing appropriations by the Parliament for the department's administration and programs.

1.3 Significant accounting judgements and estimates

No accounting judgements, assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts recorded in the financial statements.

1.4 New Australian accounting standards

Adoption of new Australian Accounting Standard requirements

No accounting standards have been adopted earlier than the application date as specified in the standards. Accounting standards that were issued prior to the signing of the statement by the Clerk and Chief Finance Officer, and applicable to the current reporting period did not have a material effect, and are not expected to have a future material effect, on the department's financial statements.

Future Australian Accounting Standard requirements

Accounting standards that were issued prior to the signing of the statement by the Clerk and Chief Finance Officer, and applicable to future reporting period/s, are not expected to have a future material effect on the department's financial statements.

1.5 Revenue

Revenue from government

Amounts appropriated for departmental appropriation for the financial year (adjusted for any formal additions and reductions) are recognised as revenue from government when the department gains control of the appropriation, except for certain amounts which relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned. The department does not currently participate in any reciprocal activities.

Appropriations receivable are recognised at their nominal amounts.

Other types of revenue

Revenue from the sale of goods is recognised when:

(a) the risks and rewards of ownership have been transferred to the buyer

(b) the department retains no managerial involvement nor effective control over the goods

(c) the revenue and transaction costs incurred can be reliably measured

(d) it is probable that the economic benefits associated with the transaction will flow to the department.

Revenue from rendering of services is recognised by reference to the stage of completion of contracts at the reporting date. The revenue is recognised when:

(a) the amount of revenue, stage of completion and transaction costs incurred can be reliably measured

(b) the probable economic benefits from the transaction will flow to the department.

The stage of completion of contracts at the reporting date is determined by reference to the proportion that costs incurred to date bear to the estimated total costs of the transaction.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at the end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

Interest revenue is recognised using the effective interest method as set out in AASB 139 *Financial Instruments: Recognition and Measurement*.

Paid Parental Leave Scheme

Amounts received under the Paid Parental Leave Scheme by the department and not yet paid to employees would be presented gross as cash and a liability (payable).

1.6 Gains

Resources received free of charge

Services received free of charge are recognised as gain when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense.

Contributions of assets at no cost of acquisition or for nominal consideration are recognised as gains at their fair value when the asset qualifies for recognition, unless received from another government agency or authority as a consequence of a restructuring of administrative arrangements (refer to Note 1.7).

Other gains

Gains from disposal of non-current assets are recognised when control of the asset has passed to the buyer.

1.7 Transactions with the government as owner

Equity injections

Amounts appropriated which are designated as equity injections for a year (less any formal reductions) and Departmental Capital Budgets (DCB) are recognised directly in contributed equity in that year.

Restructuring of administrative arrangements

Net assets received from or relinquished to another government agency or authority under a restructuring of administrative arrangements are adjusted at their book value directly against contributed equity.

Other distributions to owners

The FMOs require that distributions to owners be debited to contributed equity unless in the nature of a dividend.

1.8 Employee benefits

Liabilities for services rendered by employees are recognised at the reporting date to the extent that they have not been settled.

Liabilities for short-term employee benefits (as defined in AASB 119 *Employee Benefits*) and termination benefits expected within twelve months of the end of the reporting period are measured at their nominal amounts.

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits are measured as the present value of the defined benefit obligation at the end of the reporting period.

Leave

The liability for employee benefits includes provision for annual/purchased leave and long service leave. No provision has been made for personal/carer's leave, as all personal/carer's leave is non-vesting and the average personal/carer's leave taken in future years by employees of the department is estimated to be less than the annual entitlement for personal/carer's leave.

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including the department's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The liability for long service leave is recognised and measured at the estimated present value of future cash flows to be made in respect of all employees at 30 June 2014. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

Separation and redundancy

In 2013–14, the department has made no provision for future separation and redundancy benefit payments.

Superannuation

Employees of the department are generally members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS) and PSS accumulation plan (PSSap). Where an eligible employee chooses a superannuation fund other than the department's nominated default fund, the PSSap, the department makes employer's contributions equal to those payable to the default fund.

The CSS and PSS are defined benefit schemes for the Commonwealth. The PSSap is a defined contribution scheme.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported by the Department of Finance as an administered item.

The department makes employer contributions to the relevant employee superannuation scheme (the CSS and PSS) at rates determined by an actuary to be sufficient to meet the current cost to the government. The department accounts for the contributions as if they were contributions to defined contribution plans.

The liability for superannuation recognised as at 30 June 2014 represents outstanding contributions for the final pay fortnight of the year.

1.9 Leases

A distinction is made between finance leases and operating leases. Finance leases effectively transfer from the lessor to the lessee substantially all the risks and rewards incidental to ownership of leased assets. An operating lease is a lease that is not a finance lease. In operating leases, the lessor effectively retains substantially all such risks and benefits.

No finance leases were in existence at any time during the year or at the reporting date.

Operating lease payments are expensed on a straight-line basis which is representative of the pattern of benefits derived from the leased assets. The department's operating leases relate to vehicles leased from LeasePlan.

1.10 Fair Value Measurement

The department deems transfers between levels of the fair value hierarchy to have occurred at the end of the reporting period.

1.11 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents include:

(a) cash on hand

(b) demand deposits in bank accounts with an original maturity of three months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value

(c) cash held by outsiders

(d) cash in special accounts.

1.12 Financial assets

Financial assets are classified in the following categories:

(a) at fair value through profit or loss

(b) held-to-maturity investments

(c) available-for-sale financial assets

(d) loans and receivables.

The classification depends on the nature and purpose of the financial asset and is determined at the time of initial recognition. Financial assets are recognised and derecognised on trade date.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts over the expected life of the financial asset, or, where appropriate, a shorter period.

Income is recognised on an effective interest rate basis except for financial assets at fair value through profit or loss.

Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate.

Impairment of financial assets

Financial assets are assessed for impairment at each reporting date.

- *Financial assets held at amortised cost* – If there is objective evidence that an impairment loss has been incurred for loans and receivables or held to maturity investments held at amortised cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount is reduced by way of an allowance account. The loss is recognised in the Statement of Comprehensive Income.

- *Available-for-sale financial assets* – If there is objective evidence that an impairment loss on an available-for-sale financial asset has been incurred, the amount of the difference between its cost, less principal repayments and amortisation, and its current fair value, less any impairment loss previously recognised in expenses, is transferred from equity to the Statement of Comprehensive Income.
- *Financial assets held at cost* – If there is objective evidence that an impairment loss has been incurred, the amount of the impairment loss is the difference between the carrying amount of the asset and the present value of the estimated future cash flows discounted at the current market rate for similar assets.

1.13 Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities. Financial liabilities are recognised and derecognised on trade date.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss are initially measured at fair value. Subsequent fair value adjustments are recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Supplier and other payables

Trade creditors and accruals are recognised at the amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

1.14 Contingent liabilities and contingent assets

Contingent liabilities and assets are not recognised in the statement of financial position but are discussed in the relevant schedules and notes. They may arise from uncertainty as to the existence of a liability or asset, or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are reported when settlement is probable, but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

1.15 Acquisition of assets

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs, where appropriate.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of restructured administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor agency's accounts immediately before the restructuring.

1.16 Property, plant and equipment (PP&E)

Asset recognition threshold

Property, plant and equipment assets are represented by two separate asset classes, infrastructure, plant and equipment (IPE) and intangibles. All purchases are initially recognised at cost in the statement of financial position, unless their cost is below the recognition threshold, in which case they are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

Asset class	Recognition threshold	Asset category
Infrastructure, plant and equipment	$1,000	– Furniture and fittings – Office machines
	$2,000	– Plant and equipment
Intangibles	$2,000	– Intangibles

Revaluations

Following initial recognition at cost, infrastructure, plant and equipment are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially with the assets' fair values as at the reporting date. The regularity of independent valuations depends upon the volatility of movements in market values for the relevant assets.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reverses a previous revaluation decrement of the same asset class that was previously recognised through operating result. Revaluation decrements for a class of assets are recognised directly in the surplus/deficit except to the extent that they reverse a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset restated to the revalued amount.

Depreciation

Depreciable plant and equipment assets are written off to their estimated residual values over their estimated useful lives to the department, using the straight-line method of depreciation in all cases.

Depreciation rates (useful lives) and methods are reviewed at each reporting date and necessary adjustments are recognised in the current or current and future reporting periods, as appropriate.

Depreciation and amortisation rates applying to each category of depreciable asset are based on the following useful lives:

Asset class	2014	2013
Plant and equipment	**5 to 15 years**	5 to 15 years
Computer equipment	**2 to 10 years**	2 to 10 years
Furniture and fittings	**5 to 100 years**	5 to 100 years
Office machines and equipment	**4 to 30 years**	4 to 30 years
Intangibles (software)	**3 to 7 years**	3 to 7 years

Impairment

All assets were assessed for impairment at 30 June 2014. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the department were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

No indicators of impairment were found for assets at fair value.

1.17 Intangibles

The department's intangibles comprise software for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Software is amortised on a straight-line basis over its anticipated useful life. The useful life of the department's software is 3 to 7 years (2013: 3 to 7 years).

All software assets were assessed for impairment as at 30 June 2014.

1.18 Inventories

Inventories held for resale are valued at the lower of cost and net realisable value.

Inventories not held for resale are valued at cost, unless they are no longer required, in which case they are valued at net realisable value.

1.19 Taxation

The department is exempt from all forms of taxation except fringe benefits tax (FBT) and the goods and services tax (GST).

Revenues, expenses and assets are recognised net of GST except:

(a) where the amount of GST incurred is not recoverable from the Australian Taxation Office

(b) for receivables and payables.

The department pays FBT on benefits provided:

(a) to employees of the department

(b) to office-holders of the Senate.

The FBT for senators is paid by the Department of Finance.

1.19 Constitutional and other legal requirements

The Australian Government continues to have regard to developments in case law, including the High Court's most recent decision on Commonwealth expenditure in *Williams v Commonwealth [2014] HCA 23*, as they contribute to the larger body of law relevant to the development of Commonwealth programs. In accordance with its general practice, the Government will continue to monitor and assess risk and decide on any appropriate actions to respond to risks of expenditure not being consistent with constitutional or other legal requirements.

Note 2: Events occurring after the reporting period

There have been no significant events occur after reporting date that may have an impact on the department's operations.

	2014 $'000	2013 $'000

Note 3: Expenses

Note 3A: Employee benefits

Wages and salaries	**11,983**	12,203
Superannuation:		
Defined contribution plans	**807**	741
Defined benefit plans	**1,580**	1,637
Leave and other entitlements	**2,073**	1,889
Separation and redundancies	**-**	35
Total employee benefits	**16,443**	16,505

Note 3B: Supplier

Goods and services		
Professional and financial fees	**489**	683
Facilities and infrastructure	**1,038**	495
Recruitment and staff development	**106**	61
Hire charges and hospitality	**132**	139
Travel	**582**	637
Media and communications	**189**	277
General office expenses	**431**	437
Printing	**236**	292
Resources received free of charge	**1,931**	1,881
Total goods and services	**5,134**	4,902
Goods and services are made up of:		
Provision of goods – related entities	**24**	19
Provision of goods – external entities	**832**	986
Rendering of services – related entities *	**3,060**	2,432
Rendering of services – external entities	**1,218**	1,465
Total goods and services	**5,134**	4,902

* Services from related entities included $1.931m of resources received free of charge from other Commonwealth agencies. (2012: $1.881m)

Other supplier expenses		
Workers compensation expenses	**197**	127
Total other supplier expenses	**197**	127
Total supplier expenses	**5,331**	5,029

	2014 $'000	2013 $'000
Note 3C: Depreciation and amortisation		
Depreciation:		
Property, plant and equipment	**174**	590
Amortisation:		
Intangibles – computer software	**137**	94
Total depreciation and amortisation	**311**	684
Note 3D: Write-down and impairment of assets		
Non-financial assets		
Property, plant and equipment – write-downs	**11**	4
Intangibles – write-downs	**-**	40
Total write-down and impairment of assets	**11**	44
Note 3E: Losses from asset sales		
Property, plant and equipment:		
Proceeds from sale	**-**	(12)
Carrying value of assets sold	**-**	33
Selling expenses	**-**	-
Total losses from asset sales	**-**	21

Note 4: Income

Revenue

	2014 $'000	2013 $'000
Note 4A: Sale of goods and rendering of services		
Provision of goods – related entities	**10**	19
Provision of goods – external parties	**47**	77
Rendering of services – related entities	**292**	312
Rendering of services – external parties	**23**	14
Total sale of goods and rendering of services	**372**	422
Gains		
Note 4B: Other gains		
Resources received free of charge	**1,931**	1,881
Total other gains	**1,931**	1,881
Revenue from government		
Note 4C: Revenue from government		
Departmental appropriation	**21,194**	20,484
Total revenue from government	**21,194**	20,484

Note 5: Fair value measurements

The following tables provide an analysis of assets and liabilities that are measured at fair value. The different levels of the fair value hierarchy are defined below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at measurement date.
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3: Unobservable inputs for the asset or liability.

Note 5A: Fair value measurements

Fair value measurements at the end of the reporting period by hierarchy for assets in 2014.

		Fair value measurements at the end of the reporting period using		
	Fair value $'000	Level 1 inputs $'000	Level 2 inputs $'000	Level 3 inputs $'000
Non-financial assets				
Plant and equipment	193	-	93	100
Furniture and fittings	1,058	-	183	875
Total non-financial assets	**1,251**	**-**	**276**	**975**
Total fair value measurements of assets in the statement of financial position	**1,251**	**-**	**276**	**975**

Note 5B: Valuation technique and inputs for Level 2 and Level 3 fair value measurements

Level 2 and 3 fair value valuation technique and the inputs used for assets in 2014.

	Level	Fair Value $'000	Valuation Techniques[1]	Inputs used	Range (Weighted Average)[2]
Non-financial assets					
Plant and equipment	Level 2	93	Market comparables	N/A	N/A
Furniture and fittings	Level 2	183	Market comparables	N/A	N/A
Plant and equipment	Level 3	100	Depreciated replacement cost	Market appraisals of similar items	2.00% per annum
Furniture and fittings	Level 3	875	Depreciated replacement cost	Market appraisals of similar items	2.00% per annum

1. No change in valuation technique occurred during the period.
2. Significant unobservable inputs only. Not applicable for assets in the Level 2 category.

Note 5: Fair value measurements (cont.)

Recurring and non-recurring Level 3 fair value measurements – valuation processes

The entity procured valuation services from Pickles Valuation Services (PVS) and relied on valuation models provided by PVS. While AASB 13 did not exist at the time of the valuation, the department is of the opinion that the fair value measurements comply with this standard. The department checks the valuation model at least once every 12 months.

Recurring Level 3 fair value measurements – sensitivity of inputs

The significant unobservable inputs used in the fair value measurement of the department's plant and equipment, and furniture and fitting assets are market appraisals of similar items. Significant increases (decreases) in any of those inputs in isolation would result in a significantly higher (lower) fair value measurement. Generally, a change in the assumption used for market appraisals of similar items is accompanied by a directionally similar change in the assumption used for market appraisals of similar items.

Note 5C: Reconciliation for recurring Level 3 fair value measurements

Recurring Level 3 fair value measurements – reconciliation for assets.

	Non-financial assets		
	Plant and equipment $'000	**Furniture and fittings $'000**	**Total $'000**
Opening balance	127	986	**1,113**
Total gains/(losses) in accumulated depreciation	(27)	(111)	**(138)**
Purchases	-	10	**10**
Disposals	-	(10)	**(10)**
Closing balance	**100**	**875**	**975**

The department's policy for determining when transfers between levels are deemed to have occurred can be found in Note 1. During the period no asset transferred between the above levels.

	2014 $'000	2013 $'000

Note 6: Financial assets

Note 6A: Cash and cash equivalents

	2014 $'000	2013 $'000
Cash on hand or on deposit	**303**	352
Total cash and cash equivalents	**303**	352

Note 6B: Trade and other receivables

	2014 $'000	2013 $'000
Goods and services – related entities	**10**	8
Goods and services – external parties	**1**	2
Total receivables for goods and services	**11**	10
Appropriations receivable for existing program	**12,113**	12,727
Other receivables:		
GST receivable from the Australian Taxation Office	**22**	45
Other	**1**	80
Total other receivables	**23**	125
Total trade and other receivables (net)	**12,147**	12,862
Receivables are aged as follows:		
Not overdue	**12,144**	12,859
Overdue by:		
0 to 30 days	**1**	2
31 to 60 days	**1**	1
61 to 90 days	**1**	-
More than 90 days	**-**	-
Total trade and other receivables (gross)	**12,147**	12,862

All receivables are expected to be recovered in no more than 12 months.
No indicators of impairment were noted for receivables.

	2014 $'000	2013 $'000

Note 7: Non-financial assets

Note 7A: Property, plant and equipment

	2014 $'000	2013 $'000
Property, plant and equipment		
Fair value	**1,664**	2,278
Accumulated depreciation	**(413)**	(607)
Total property, plant and equipment	**1,251**	1,671

At 30 June, no indicators of impairment were found for infrastructure, plant and equipment.

All information and communication technology (ICT) assets were transferred to the Department of Parliamentary Services on 1 July 2013. This forms part of an agreed transfer of ICT service responsibilities to the Department of Parliamentary Services. Further disclosure is made at Note 9 (Restructuring) and Note 16 (Appropriations).

Revaluations of non-financial assets

The department's non-current assets have not significantly changed since the revaluation at 30 June 2012 and there has been no discernable volatility of their fair value. Therefore, the department's assets were not revalued in 2013–14.

Note 7B: Intangibles

	2014 $'000	2013 $'000
Computer software		
Purchased	**3,533**	2,209
Accumulated amortisation	**(767)**	(691)
Total intangibles	**2,766**	1,518

At 30 June, no indicators of impairment were found for intangible assets.
No intangibles are expected to be sold or disposed of within the next 12 months.

Note 7C: Analysis of property, plant and equipment and intangibles

Reconciliation of the opening and closing balances of property, plant and equipment and intangibles (2013–14).

	PP&E $'000	Intangibles $'000	Total $'000
As at 1 July 2013			
Gross book value	2,278	2,209	**4,487**
Accumulated depreciation/amortisation	(607)	(691)	**(1,298)**
Net book value 1 July 2013	**1,671**	**1,518**	**3,189**
Additions by purchase	102	1,419	**1,521**
Revaluation and impairments through equity	-	-	**-**
Reclassifications	-	-	**-**
Depreciation/amortisation expense	(174)	(137)	**(311)**
Impairments recognised in the operating result	(11)	-	**(11)**
Other movements – ICT transfer to DPS	(326)	(31)	**(357)**
Other movements – Derecognition of assets	(11)	(3)	**(14)**
Disposals	-	-	**-**
Net book value 30 June 2014	**1,251**	**2,766**	**4,017**
Net book value 30 June 2014 represented by:			
Gross book value	1,665	3,533	**5,198**
Accumulated depreciation/amortisation	(414)	(767)	**(1,181)**
Net book value 30 June 2014 represented by:	**1,251**	**2,766**	**4,017**

Reconciliation of the opening and closing balances of property, plant and equipment and intangibles (2012–13).

	PP&E $'000	Intangibles $'000	Total $'000
As at 1 July 2012			
Gross book value	2,285	1,916	**4,201**
Accumulated depreciation/amortisation	(41)	(1,374)	**(1,415)**
Net book value 1 July 2012	**2,244**	**542**	**2,786**
Additions by purchase	54	1,110	**1,164**
Revaluation and impairments through equity	-	-	**-**
Reclassifications	-	-	**-**
Depreciation/amortisation expense	(590)	(94)	**(684)**
Impairments recognised in the operating result	(4)	(40)	**(44)**
Other movements – Derecognition of assets	-	-	**-**
Disposals	(33)	-	**(33)**
Net book value 30 June 2013	**1,671**	**1,518**	**3,189**
Net book value 30 June 2013 represented by:			
Gross book value	2,278	2,209	**4,487**
Accumulated depreciation/amortisation	(607)	(691)	**(1,298)**
Net book value 30 June 2013 represented by:	**1,671**	**1,518**	**3,189**

	2014 $'000	2013 $'000
Note 7D: Inventories		
Inventories held for sale	**45**	35
Total inventories	**45**	35

All departmental inventory is expected to be sold in the next 12 months.

	2014 $'000	2013 $'000
Note 7E: Other non-financial assets		
Prepayments	**229**	135
Total other non-financial assets	**229**	135

All other non-financial assets are current assets.

Note 8: Payables and provisions

	2014 $'000	2013 $'000
Note 8A: Suppliers		
Trade creditors and accruals	**356**	589
Total supplier payables	**356**	589
Supplier payables expected to be settled within 12 months:		
Related entities	**189**	290
External parties	**167**	299
Total supplier payables	**356**	589
Note 8B: Other payables		
Wages and salaries	**608**	439
Superannuation	**77**	67
Total other payables	**685**	506

All other payables recognised are expected to be settled within 12 months.

	2014 $'000	2013 $'000
Note 8C: Employee provisions		
Leave	**4,754**	5,099
Total employee provisions	**4,754**	5,099
Employee provisions are expected to be settled in:		
No more than 12 months	**1,443**	4,043
More than 12 months	**3,311**	1,057
Total employee provisions	**4,754**	5,099

Note 9: Restructuring

	2014 ICT Services – Department of Parliamentary Services[1] $'000	2013 - $'000
Functions relinquished		
Assets relinquished		
Property, plant and equipment	**(357)**	-
Intangibles	**-**	-
Total assets relinquished	**(357)**	-
Liabilities relinquished		
Payables	**-**	-
Provisions	**119**	-
Total liabilities relinquished	**119**	**-**
Net assets relinquished	**(238)**	-

1. Responsibility for the provision of information and communications technology (ICT) services was transferred to the Department of Parliamentary Services on 1 July 2013. The restructuring followed agreement to recommendations from an independent review of ICT for the Parliament (undertaken by Mr Michael Roche).

	2014 $'000	2013 $'000
Note 10: Cash flow reconciliation		
Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement		
Cash and cash equivalents as per:		
Cash flow statement	**303**	352
Statement of financial position	**303**	352
Difference	**-**	-
Reconciliation of net cost of services to net cash from operating activities:		
Net cost of services	**(19,793)**	(19,980)
Add revenue from government	**21,194**	20,484
Adjustments for non-cash items		
Depreciation/amortisation	**311**	684
Net write down of assets	**11**	44
Loss/(gain) on disposal of assets	**-**	21
Changes in assets/liabilities		
(Increase)/decrease in net receivables	**(84)**	(96)
(Increase)/decrease in inventories	**(10)**	1
(Increase)/decrease in prepayments	**(92)**	85
Increase/(decrease) in employee provisions	**(345)**	(142)
Increase/(decrease) in supplier payables	**(391)**	28
Increase/(decrease) in other payables	**179**	31
Net cash from operating activities	**980**	1,160

Note 11: Contingent liabilities and assets

Quantifiable contingencies

At 30 June 2014, the Department of the Senate has no quantifiable contingencies. (2013: Nil)

Unquantifiable contingencies

At 30 June 2014, the Department of the Senate has no unquantifiable contingencies. (2013: Nil)

Significant remote contingencies

At 30 June 2014, the Department of the Senate has no remote contingencies. (2013: Nil)

	2014 $'000	2013 $'000

Note 12: Remuneration of auditors

Financial statement audit services were provided free of charge to the department by the Australian National Audit Office.

The fair value of audit services provided was:	**83**	83

No other services were provided by the auditors of the financial statements.

Note 13: Senior executive remuneration

Note 13A: Senior executive remuneration expense for the reporting period

	2014 $	2013 $
Short-term employee benefits		
Salary	**1,395,680**	1,358,066
Total short-term employee benefits	**1,395,680**	1,358,066
Post-employee benefits		
Superannuation	**230,290**	214,695
Total post-employment benefits	**230,290**	214,695
Other long-term benefits		
Annual leave	**94,626**	93,054
Long-service leave	**30,753**	30,243
Total other long-term benefits	**125,379**	123,297
Total senior executive remuneration expense	**1,751,349**	1,696,058

1. Note 13A was prepared on an accrual basis.
2. Note 13A excludes acting arrangements and part-year service where remuneration expensed for a senior executive was less than $195,000.
3. In line with the Finance Minister's Orders, the salary expense in 2013 has been adjusted to reflect actual short-term employee benefits (including leave taken).

Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

Note 13: Senior executive remuneration (continued)

Note 13B: Average annual reportable remuneration paid to substantive senior executives during the reporting period

Average annual reportable remuneration paid to substantive senior executives in 2014.

Average annual reportable remuneration[1]	Senior Executives No.	Reportable salary[2] $	Contributed superannuation[3] $	Reportable allowances[4] $	Bonus paid[5] $	Total reportable remuneration $
Total remuneration (including part-time arrangements):						
Less than 195,000	-	-	-	-	-	-
$195,000 to $224,999	**2**	**175,405**	**31,037**	-	-	**206,442**
$225,000 to $254,999	**2**	**199,109**	**34,057**	-	-	**233,166**
$285,000 to $314,999	**1**	**252,224**	**38,157**	-	-	**290,381**
$405,000 to $434,999	**1**	**352,207**	**61,914**	-	-	**414,121**
Total number of substantive senior executives	**6**					

Average annual reportable remuneration paid to substantive senior executives in 2013. [6]

Average annual reportable remuneration[1]	Senior Executives No.	Reportable salary[2] $	Contributed superannuation[3] $	Reportable allowances[4] $	Bonus paid[5] $	Total reportable remuneration $
Total remuneration (including part-time arrangements):						
Less than 195,000	-	-	-	-	-	-
$195,000 to $224,999	2	176,112	31,203	-	-	207,315
$225,000 to $254,999	2	194,110	30,998	-	-	225,108
$255,000 to $284,999	1	229,768	35,697	-	-	265,465
$375,000 to $404,999	1	340,779	54,421	-	-	395,200
Total	6					

Notes to and forming part of the Financial Statements

for the year ended 30 June 2014

1. This table reports substantive senior executives who received remuneration during the reporting period. Each row is an averaged figure based on headcount for individuals in the band.
2. 'Reportable salary' includes the following:
   a) gross payments (less any bonuses paid, which are separated out and disclosed in the 'bonus paid' column);
   b) reportable fringe benefits (at the net amount prior to 'grossing up' for tax purposes);
   c) reportable employer superannuation contributions; and
   d) exempt foreign employment income.
3. The 'contributed superannuation' amount is the average cost to the entity for the provision of superannuation benefits to other highly paid staff in that reportable remuneration band during the reporting period.
4. The department does not pay reportable allowances.
5. The department does not pay bonus payments.
6. In line with the Finance Minister's Orders, the average annual reportable remuneration paid to substantive senior executives in 2013 has been adjusted.

Note 13: Senior executive remuneration (continued)

Note 13C: Other highly paid staff

The department had no other highly paid staff. (2013: Nil)

	2014 $'000	2013 $'000
Note 14: Financial instruments		
Note 14A: Categories of financial instruments		
Financial assets		
Loans and receivables:		
Cash and cash equivalents	**303**	352
Trade receivables	**11**	10
Total financial assets	**314**	362
Financial liabilities		
At amortised cost:		
Trade creditors	**0**	136
Other payables	**356**	453
Total financial liabilities	**356**	589

Note 14B: Net income and expense from financial assets

The department had no net income or expense from financial instruments. (2013: Nil)

Note 14C: Fair values of financial instruments

The net fair value of each class of assets and liabilities equals the carrying amounts in both the 2013–14 and 2012–13 financial years.

Note 14D: Credit risk

The department's maximum exposures to credit risk at the reporting date in relation to each class of recognised financial assets is the carrying amount of those assets as indicated in the balance sheet.

The department has no significant exposures to any concentrations of credit risk. No indications of impairment were found for financial assets. Assets past due but not impaired are disclosed at Note 6B.

Note 14E: Liquidity risk

All liabilities are at call (30 days). The department has no significant exposures to any liquidity risk. (2013: Nil)

Note 14F: Market risk

The department has no significant exposures to any market risk. (2013: Nil)

	2014 $'000	2013 $'000

Note 15: Financial assets reconciliation

Financial assets		
Total financial assets as per balance sheet	**12,450**	13,214
Less: non-financial instrument components		
Appropriation receivable	**12,113**	12,727
Other receivable – GST from ATO	**22**	45
Other receivable – accrued revenue	**1**	80
Total non-financial instrument components	**12,136**	12,852
Total financial assets as per financial instrument note	**314**	362

Notes to and forming part of the Financial Statements
for the year ended 30 June 2014

Note 16: Appropriations

Note 16A: Annual Appropriations (Recoverable GST exclusive)

	2014 Appropriations							Appropriation applied in 2014 (current and prior years)	
	Appropriation Act			FMA Act					
	Annual Appropriation[1] $'000	Appropriations reduced[2] $'000	AFM $'000	Section 30 $'000	Section 31 $'000	Section 32 $'000	Total appropriation $'000	$'000	Variance[3] $'000
DEPARTMENTAL									
Ordinary annual services	**21,905**	**(285)**	**-**	**-**	**1,583**	**-**	**23,203**	**22,913**	**290**
Total departmental	**21,905**	**(285)**	**-**	**-**	**1,583**	**-**	**23,203**	**22,913**	**290**

1. The annual appropriation figure includes an amount of $53,000 relating to the volume sourcing arrangements, quarantined by the Department of Finance and unavailable for use by the department.
2. Appropriations reduced under *Appropriation (Parliamentary Departments) Acts (No.1) 2013–14*: section 11. This reflects the agreed capital appropriation reduction associated with the transfer of ICT service responsibilities to the Department of Parliamentary Services.
3. The variance is attributed to the appropriation carried over net of the prior year appropriations used.

	2013 Appropriations							Appropriation applied in 2013 (current and prior years)	
	Appropriation Act			FMA Act					
	Annual Appropriation[1] $'000	Appropriations reduced $'000	AFM $'000	Section 30 $'000	Section 31 $'000	Section 32 $'000	Total appropriation $'000	$'000	Variance $'000
DEPARTMENTAL									
Ordinary annual services	21,141	(421)	-	-	1,845	-	22,565	22,337	228
Total departmental	21,141	(421)	-	-	1,845	-	22,565	22,337	228

1. Appropriations reduced under *Appropriation (Parliamentary Departments) Acts (No.1) 2012–13*: section 11. This reflects the agreed capital appropriation reduction associated with the transfer of ICT service responsibilities to the Department of Parliamentary Services.

Note 16: Appropriations (continued)

Note 16B: Departmental Capital Budget ('Recoverable GST exclusive')

	2014 Capital Budget Appropriations				Capital Budget Appropriations applied in 2014 (current and prior years)			
	Appropriation Act		FMA Act					
	Annual Capital Budget $'000	Appropriations reduced[2] $'000	Section 32 $'000	Total Capital Budget Appropriations $'000	Payments for non-financial assets[3] $'000	Payments for other purposes $'000	Total payments $'000	Variance $'000
DEPARTMENTAL								
Ordinary annual services – Departmental Capital Budget[1]	658	(285)	-	373	322	-	322	51

1. The Departmental Capital Budget is appropriated through the *Appropriation (Parliamentary Departments) Act (No. 1)*. It forms part of ordinary annual services, and is not separately identified in the Appropriation Act. For more information on ordinary annual services appropriations, please see Note 16A: Annual appropriations.
2. Appropriations reduced under *Appropriation (Parliamentary Departments) Acts (No.1) 2013–14*: section 11. This reflects the agreed capital appropriation reduction associated with the transfer of ICT service responsibilities to the Department of Parliamentary Services.
3. Payments made on non-financial assets include purchases of assets, expenditure on assets which has been capitalised, costs incurred to make good an asset to its original condition, and the capital repayment component of finance leases.

	2013 Capital Budget Appropriations				Capital Budget Appropriations applied in 2013 (current and prior years)			
	Appropriation Act		FMA Act					
	Annual Capital Budget $'000	Appropriations reduced[2] $'000	Section 32 $'000	Total Capital Budget Appropriations $'000	Payments for non-financial assets[3] $'000	Payments for other purposes $'000	Total payments $'000	Variance $'000
DEPARTMENTAL								
Ordinary annual services – Departmental Capital Budget[1]	657	(421)	-	236	93	-	93	143

1. The Departmental Capital Budget is appropriated through the *Appropriation (Parliamentary Departments) Act (No. 1)*. It forms part of ordinary annual services, and is not separately identified in the Appropriation Act. For more information on ordinary annual services appropriations, please see Note 16A: Annual appropriations.
2. Appropriations reduced under *Appropriation (Parliamentary Departments) Acts (No.1) 2012–13*: section 11. This reflects the agreed capital appropriation reduction associated with the transfer of ICT service responsibilities to the Department of Parliamentary Services.
3. Payments made on non-financial assets include purchases of assets, expenditure on assets which has been capitalised, costs incurred to make good an asset to its original condition, and the capital repayment component of finance leases.

Note 16: Appropriations (continued)

Note16C: Unspent Annual Appropriations (Recoverable GST exclusive)

Authority	2014 $'000	2013 $'000
DEPARTMENTAL		
Appropriation (Parliamentary Departments) Act (No. 1) 2010–11	-	170
Appropriation (Parliamentary Departments) Act (No. 1) 2011–12	-	10,441
Appropriation (Parliamentary Departments) Act (No. 1) 2012–13	7,582	2,116
Appropriation (Parliamentary Departments) Act (No. 1) 2013–14	4,834	-
Total	**12,416**	12,727

Note 16: Appropriations (continued)

Note 16D: Disclosure by agent in relation to annual and special appropriations (Recoverable GST exclusive)

2014	**Department of Finance – *Parliamentary Entitlements Act 1990* (s. 11) $'000**	**Department of Finance – *Parliamentary Superannuation Act 2004* (s. 18) $'000**	**Department of Finance – Commonwealth of Australia Constitution (s. 66) $'000**	**Australian Public Service Commission – *Remuneration Tribunal Act 1973* (s. 7) $'000**
Total receipts	**-**	**-**	**-**	**-**
Total payments	**140**	**1,760**	**1,515**	**18,780**

2013	Department of Finance – *Parliamentary Entitlements Act 1990* (s. 11) $'000	Department of Finance – *Parliamentary Superannuation Act 2004* (s. 18) $'000	Department of Finance – Commonwealth of Australia Constitution (s. 66) $'000	Australian Public Service Commission – *Remuneration Tribunal Act 1973* (s. 7) $'000
Total receipts	-	-	-	-
Total payments	188	1,618	1,109	18,659

The legislation establishing these special appropriations is administered by the Department of Finance and the Australian Public Service Commission. Arrangements have been entered into with these entities to allow the Department of the Senate to draw upon these appropriations.

Note 16: Appropriations (continued)

Note 16E: Compliance with statutory conditions for payment from the Consolidated Revenue Fund

In 2012–13, Department of Finance received legal advice that indicated there could be breaches of Section 83 under certain circumstances with payments for long service leave, goods and services tax and payments under determinations of the Remuneration Tribunal. The department has continued to review its processes and controls over payments for these items to minimise the possibility of breaches as a result of these payments. The department has determined that there is a low risk of the circumstances mentioned in the legal advice applying to the department. The department is not aware of any specific breaches of Section 83 in respect of these items.

Note 17: Compensation and debt relief

No act of grace payments were made during the reporting period. (2013: Nil)

No waivers of amounts owing to the Commonwealth were made pursuant to subsection 34(1) of the *Financial Management and Accountability Act 1997* during the reporting period. (2013: Nil)

No payments were provided under the Compensation for Detriment caused by Defective Administration (CDDA) Scheme during the reporting period. (2013: Nil)

No ex-gratia payments were provided for during the reporting period. (2013: Nil)

No payments were provided under section 66 of the *Parliamentary Service Act 1999* during the reporting period. (2013: Nil)

Note 18: Reporting of outcomes

Note 18A: Net cost of outcome delivery

	Outcome 1		Total	
	2014 $'000	2013 $'000	**2014 $'000**	2013 $'000
Departmental				
Expenses	**22,095**	22,283	**22,095**	22,283
Own-source income	**2,303**	2,303	**2,303**	2,303
Net cost of outcome delivery	**24,398**	24,586	**24,398**	24,586

Outcome 1 is described in Note 1.1. Net costs shown include intra-government costs that are eliminated in calculating the actual budget outcome.

Note 18B: Major classes of departmental expense, income, assets and liabilities by outcome

All departmental expenses, income, assets and liabilities are attributable to the department's single outcome.

Note 19: Net cash appropriation arrangements

	2014 $'000	2013 $'000
Total comprehensive income less depreciation/ amortisation expenses previously funded through revenue appropriations[1]	1,712	1,188
Plus: depreciation/amortisation expenses previously funded through revenue appropriation	(311)	(684)
Total comprehensive income (loss) — as per the Statement of Comprehensive Income	**1,401**	504

1. From 2010–11, the Government introduced net cash appropriation arrangements, where revenue appropriations for depreciation/amortisation expenses ceased. Entities now receive a separate capital budget provided through equity appropriations. Capital budgets are to be appropriated in the period when cash payment for capital expenditure is required.