

Financial statements

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Independent Auditor's Report



INDEPENDENT AUDITOR'S REPORT

To the President of the Senate

Opinion

In my opinion, the financial statements of the Department of the Senate for the year ended 30 June 2019:

- (a) comply with Australian Accounting Standards – Reduced Disclosure Requirements and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Department of the Senate as at 30 June 2019 and its financial performance and cash flows for the year then ended.

The financial statements of the Department of the Senate, which I have audited, comprise the following statements as at 30 June 2019 and for the year then ended:

- Statement by the Accountable Authority and Chief Finance Officer;
- Statement of comprehensive income;
- Statement of financial position;
- Statement of changes in equity;
- Cash flow statement; and
- Notes to the financial statements, comprising a Summary of significant accounting policies and other explanatory information.

Basis for Opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Department of the Senate in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Accountable Authority's Responsibility for the Financial Statements

As the Accountable Authority of the Department of the Senate the Clerk of the Senate is responsible under the *Public Governance, Performance and Accountability Act 2013* for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Reduced Disclosure Requirements and the rules made under that Act. The Clerk of the Senate is also responsible for such internal control as the Clerk of the Senate determines is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Clerk of the Senate is responsible for assessing the Department of the Senate's ability to continue as a going concern, taking into account whether the entity's operations will cease as a result of an administrative restructure or for any other reason. The Clerk of the Senate is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

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Independent Auditor's Report (continued)

Auditor's Responsibilities for the Audit of the Financial Statements

My objective is 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 National Audit Office 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 National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's 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 entity'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 conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern; and
- 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 those charged with governance 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.

Australian National Audit Office



Mark Vial
Senior Director
Delegate of the Auditor-General
Canberra
25 September 2019

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



AUSTRALIAN SENATE

STATEMENT BY THE ACCOUNTABLE AUTHORITY AND CHIEF FINANCE OFFICER

In our opinion, the attached financial statements for the year ended 30 June 2019 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the department will be able to pay its debts as and when they fall due.

Handwritten signature of Richard Pye in black ink.

(Richard Pye)
Clerk of the Senate

25 September 2019

Handwritten signature of Fiona O'Loughlin in black ink.

(Fiona O'Loughlin)
Acting Chief Finance Officer

25 September 2019

Statement of comprehensive income

for the period ended 30 June 2019

	Notes	2019 \$'000	2018 \$'000	Original Budget ¹ \$'000
EXPENSES				
Employee benefits	2A	21,184	20,692	20,926
Suppliers ²	2B	4,760	5,348	2,987
Depreciation and amortisation	4	158	624	400
Loss on disposal of assets		84	17	-
Total expenses		26,186	26,681	24,313
LESS:				
REVENUE				
Other revenue				
Sale of goods and rendering of services		475	489	450
Resources received free of charge ²		2,127	2,069	-
Total other revenue		2,602	2,558	450
NET COST OF SERVICES		23,584	24,123	23,863
Revenue from government		23,463	23,387	23,463
Surplus / (deficit)		(121)	(736)	(400)
OTHER COMPREHENSIVE INCOME				
Items not subject to subsequent reclassification to net cost of services				
Changes in asset revaluation reserve		-	(29)	-
Total other comprehensive income / (loss)		-	(29)	-
Total comprehensive income / (loss)		(121)	(765)	(400)

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

- 1 The department's original budgeted financial statement presented to the Parliament in the 2018–19 Portfolio Budget Statements. Refer to Note 8 for budget variance explanations.
- 2 Resources received free of charge are not included in the Portfolio Budget Statements.

Statement of financial position

as at 30 June 2019

	Notes	2019 \$'000	2018 \$'000	Original Budget ¹ \$'000
ASSETS				
Financial assets				
Cash and cash equivalents		224	210	157
Trade and other receivables	3	12,124	11,118	7,631
Total financial assets		12,348	11,328	7,788
Non-financial assets				
Property, plant and equipment	4	2,117	1,877	5,464
Intangibles	4	30	59	2,190
Inventories		133	86	67
Prepayments		236	237	237
Total non-financial assets		2,516	2,259	7,958
Total assets		14,864	13,587	15,746
LIABILITIES				
Payables				
Suppliers		232	227	78
Other payables		238	210	-
Total payables		470	437	78
Provisions				
Employee provisions		6,916	6,326	5,336
Total provisions		6,916	6,326	5,336
Total liabilities		7,386	6,763	5,414
Net assets		7,478	6,824	10,332
EQUITY				
Contributed equity		2,514	1,739	4,768
Reserve		11,347	11,347	11,376
Retained surplus / (accumulated deficit)		(6,383)	(6,262)	(5,812)
Total equity		7,478	6,824	10,332

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

- 1 The department's original budgeted financial statement presented to the Parliament in the 2018–19 Portfolio Budget Statements. Refer to Note 8 for budget variance explanations.

Statement of changes in equity

as at 30 June 2019

	2019 \$'000	2018 \$'000	Original Budget ¹ \$'000
CONTRIBUTED EQUITY			
Opening balance			
Balance carried forward from previous period	1,739	3,079	3,993
Transactions with owners			
Equity injections – appropriation	775	914	775
Non-reciprocal transfer – assets	-	(2,254)	-
Total transaction with owners	775	(1,340)	775
Closing balance as at 30 June	2,514	1,739	4,768
RETAINED EARNINGS			
Opening balance			
Balance carried forward from previous period	(6,262)	(5,526)	(5,412)
Comprehensive income			
Surplus / (deficit) for the period	(121)	(736)	(400)
Closing balance as at 30 June	(6,383)	(6,262)	(5,812)
ASSET REVALUATION RESERVE			
Opening balance			
Balance carried forward from previous period	11,347	11,376	11,376
Comprehensive income			
Other comprehensive income (loss)	-	(29)	-
Total comprehensive income	-	(29)	-
Closing balance as at 30 June	11,347	11,347	11,376
TOTAL EQUITY			
Opening balance			
Balance carried forward from previous period	6,824	8,929	9,957
Comprehensive income			
Surplus / (deficit) for the period	(121)	(736)	(400)
Other comprehensive income (loss)	-	(29)	-
Transactions with owners			
Equity injections – appropriation	775	914	775
Non-reciprocal transfer – assets	-	(2,254)	-
Closing balance as at 30 June	7,478	6,824	10,332

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

- 1 The department's original budgeted financial statement presented to the Parliament in the 2018–19 Portfolio Budget Statements. Refer to Note 8 for budget variance explanations.

Cash flow statement

for the period ended 30 June 2019

	2019 \$'000	2018 \$'000	Budget ¹ \$'000
OPERATING ACTIVITIES			
Cash received			
Appropriations	23,087	23,015	24,963
Sale of goods and rendering of services	466	520	450
Net GST received ²	217	305	-
Total cash received	23,770	23,840	25,413
Cash used			
Employees	20,566	19,962	20,926
Suppliers	2,932	3,463	2,987
Section 74 receipts transferred to OPA ³	696	663	-
Total cash used	24,194	24,088	23,913
Net cash from / (used by) operating activities	(424)	(248)	1,500
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of property, plant and equipment	-	5	-
Total cash received	-	5	-
Cash used			
Purchase of property, plant and equipment	435	610	2,275
Purchase of intangibles	-	-	-
Total cash used	435	610	2,275
Net cash (used by) investing activities	(435)	(605)	(2,275)
FINANCING ACTIVITIES			
Cash received			
Contributed equity	873	906	775
Total cash received	873	906	775
Net cash from financing activities	873	906	775
Net increase / (decrease) in cash held	14	53	-
Cash and cash equivalents at the beginning of the reporting period	210	157	157
Cash and cash equivalents at the end of the reporting period	224	210	157

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

1 The department's original budgeted financial statement presented to the Parliament in the 2018–19 Portfolio Budget Statements. Refer to Note 8 for budget variance explanations.

2,3 Net GST received and section 74 receipts are not separately identified in the Portfolio Budget Statements.

Notes to and forming part of the financial statements

for the year ended 30 June 2019

Note 1: Summary of significant accounting policies

Note 2: Expenses

Note 3: Financial assets

Note 4: Non-financial assets

Note 5: Aggregate assets and liabilities

Note 6: Key management personnel compensation, related parties and executive remuneration

Note 7: Appropriations

Note 8: Budget variances

Notes to and forming part of the financial statements

for the year ended 30 June 2019

Note 1: Summary of significant accounting policies

The Department of the Senate is a not-for-profit entity. Its activities 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 within its one outcome. Further details are contained in the statement of comprehensive income and the statement of financial position, and in the resource statement on page 101.

1.1 Basis of preparation of the financial report

The financial statements are general purpose financial statements and are required by section 42 of the *Public Governance Performance and Accountability Act 2013*.

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

- the *Public Governance Performance and Accountability (Financial Reporting Rule) 2015* (FRR), and
- Australian Accounting Standards and Interpretations – Reduced Disclosure Requirements issued by the Australian Accounting Standards Board (AASB) 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.

1.2 Significant accounting judgements and estimates

In the process of applying the accounting policies listed in this note, the department has made the following judgements that have the most significant impact on the amounts recorded in the financial statements:

- leave provisions involve assumptions based on the expected tenure of existing staff, patterns of leave claims and payouts, future salary movements and future discount rates.

No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next accounting period.

Notes to and forming part of the financial statements

for the year ended 30 June 2019

1.3 New Australian accounting standards

Adoption of new Australian Accounting Standard requirements

All new or revised standards and interpretations issued prior to the signing of the Statement by the Clerk and Chief Finance Officer that were applicable to the current reporting period had no material financial impact on the department, and are not expected to have a future financial impact.

Future Australian Accounting Standard requirements

No new or revised pronouncements were issued by the Australian Accounting Standards Board prior to the finalisation of the financial statements which are expected to have a material financial impact on the department in future reporting periods.

1.4 Revenue

The department receives revenue from appropriations and the rendering of services. 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:

- the amount of revenue, stage of completion and transaction costs incurred can be reliably measured, and
- the probable economic benefits associated with the transaction will flow to the entity.

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.

Revenue from government

The departmental appropriation for the financial year (adjusted for any formal additions and reductions) is recognised as revenue from government when the department gains control of the appropriation. Appropriations receivable are recognised at their nominal amounts.

Resources received free of charge

Resources received free of charge are recognised in the statement of comprehensive income as revenue where the amounts can be reliably measured and the services would have been purchased if they had not been provided free of charge. Use of those resources is recognised as an expense.

The department's resources received free of charge relate to audit services from the Australian National Audit Office and accommodation at Parliament House from the Department of Parliamentary Services.

Notes to and forming part of the financial statements

for the year ended 30 June 2019

1.5 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.

1.6 Employee benefits

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

Leave

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

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will apply at the time the leave is taken, plus the department's employer superannuation contribution rates, and applicable on-costs, 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 has been determined by reference to FRR 24.1(a) using the shorthand method. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

Superannuation

Employees of the department are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), Public Sector Superannuation accumulation plan (PSSap) or other elected defined contribution schemes.

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 employees' defined benefit schemes at rates determined by an actuary to be sufficient to meet the current cost to the government and accounts for the contributions as if they were contributions to defined contribution plans.

Notes to and forming part of the financial statements

for the year ended 30 June 2019

The liability for superannuation recognised as at 30 June 2019 represents outstanding contributions for the final pay fortnight of the year.

1.7 Leases

Operating lease payments are recognised as an expense on a straight-line basis which is representative of the pattern of benefits derived from the leased assets.

The department manages two operating leases on behalf of Senate office-holders; non-cancellable three year motor vehicle leases of \$9,697 (2018: \$31,023). There is no purchase option available. Both lease agreements will be replaced in 2019. The reporting requirements of AASB16 *Leases* will apply to these new lease agreements.

1.8 Financial assets

Cash is recognised at its nominal amount. Cash and cash equivalents include cash on hand and deposits in bank accounts.

Trade receivables and other receivables are held for the purpose of collecting contractual cash flows and measured, and carried, at amortised cost.

1.9 Financial liabilities

Financial liabilities are measured at amortised cost.

1.10 Contingent liabilities and contingent assets

The department had no quantifiable or unquantifiable contingent assets or liabilities as at 30 June 2019 (2018: nil).

1.11 Acquisition of assets

Purchases of non-financial assets are initially recognised at cost in the statement of financial position, except for purchases costing less than \$2,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

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.

Notes to and forming part of the financial statements

for the year ended 30 June 2019

1.12 Property, plant and equipment

Revaluations

Following initial recognition at cost, plant and equipment are carried at fair value. Carrying amounts are reviewed every year to determine if an independent valuation is required. 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. Upon revaluation, any accumulated depreciation is eliminated against the gross carrying amount of the asset. A revaluation of the department's assets was last undertaken as at 30 June 2018.

Depreciation

Depreciable plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the department, using in all cases the straight-line method of depreciation. Heritage and cultural assets are not depreciated.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date.

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

Asset class	2019	2018
Plant and equipment	5 to 15 years	5 to 15 years
Furniture and fittings	5 to 100 years	5 to 100 years

Impairment

All assets, including software, were assessed for indications of impairment at 30 June 2019. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment loss recognised if the asset's recoverable amount is less than its carrying amount.

Notes to and forming part of the financial statements

for the year ended 30 June 2019

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Gains or losses from disposal of plant and equipment are recognised when control of the asset has passed to the buyer.

1.13 Fair value measurement

All property, plant and equipment is measured at fair value in the statement of financial position. When estimating fair value, market prices (with adjustments) were used where available. Where market prices were not available, depreciated replacement cost was used. A reconciliation of movements in property, plant and equipment has been included in Note 4.

1.14 Intangibles

The department's intangibles comprise of internally developed software and purchased 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 (2018: 3 to 7 years).

1.15 Taxation

The department is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

1.16 Events occurring after the reporting period

No events have occurred after balance date that should be brought to account or noted in the 2018–19 financial statements.

Notes to and forming part of the financial statements

for the year ended 30 June 2019

	2019 \$'000	2018 \$'000
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Note 2: Expenses

Note 2A: Employee benefits

Wages and salaries	14,299	14,664
Superannuation		
Defined benefit plans	1,520	1,354
Defined contribution plans	1,379	1,413
Leave and other entitlements	3,986	3,261
Total employee benefits	21,184	20,692

Note 2B: Suppliers

Goods and services

Professional and financial fees	363	318
Facilities and infrastructure	603	990
Recruitment and staff development	88	103
Hire charges and hospitality	176	223
Travel	668	805
Media and communications	134	157
General office	386	442
Printing	136	146
Resources received free of charge		
DPS – Accommodation at Parliament House	2,041	1,986
ANAO – 2018–19 audit fee	86	83
Total goods and services	4,681	5,253
Other supplier expenses		
Workers compensation	79	95
Total other supplier expenses	79	95
Total supplier expenses	4,760	5,348

Notes to and forming part of the financial statements

for the year ended 30 June 2019

	2019 \$'000	2018 \$'000
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Note 3: Financial assets

Appropriation receivable	12,079	11,105
Trade and other receivables	23	1
GST receivable (from ATO)	22	12
Total trade and other receivables	12,124	11,118

	2019	
	\$'000	\$'000

Note 4: Non-financial assets

Reconciliation of opening and closing balances of property, plant and equipment and intangibles

	PP&E	Intangibles	Total
As at 1 July 2018			
Gross book value	1,877	841	2,718
Accumulated depreciation, amortisation and impairment	-	(782)	(782)
Total as at 1 July 2018	1,877	59	1,936
Additions by purchase	453	-	453
Depreciation/amortisation expense	(129)	(29)	(158)
Disposals	(84)	-	(84)
Total as at 30 June 2019	2,117	30	2,147
Total as at 30 June 2019 represented by:			
Gross book value	2,246	841	3,087
Accumulated depreciation, amortisation and impairment	(129)	(811)	(940)
Total as at 30 June 2019	2,117	30	2,147

Notes to and forming part of the financial statements

for the year ended 30 June 2019

	2019 \$'000	2018 \$'000
Note 5: Aggregate assets and liabilities		
Assets expected to be recovered in:		
No more than 12 months	12,717	11,651
More than 12 months	2,147	1,936
Total assets	14,864	13,587
Liabilities expected to be settled in:		
No more than 12 months	1,672	1,627
More than 12 months	5,714	5,136
Total liabilities	7,386	6,763

Note 6: Key management personnel compensation, related parties and executive remuneration

Note 6A: Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the department, directly or indirectly, including any director (whether executive or otherwise) of the department.

The department has determined the key management personnel to be the Clerk, Deputy Clerk, Clerk Assistants and the Usher of the Black Rod. Key management personnel compensation is reported in the table below.

	2019 \$'000	2018 \$'000
Key management personnel compensation		
Short-term employee benefits	1,528	1,582
Post-employment benefits	236	214
Other long-term employee benefits	35	35
Total key management personnel compensation	1,799	1,831

The total number of key management personnel, included in the above note, relate to seven employees.

Note 6B: Related party transactions

Related parties to this department are defined as key management personnel and close family members of key management personnel. A related party transaction is a transfer of resources, services or obligations between the department and a related party, regardless of whether a price is charged.

During 2018–19, there were no related party transactions.

Notes to and forming part of the financial statements
for the year ended 30 June 2019

Note 6: Key management personnel compensation, related parties and executive remuneration (continued)

Note 6C: Executive remuneration disclosure – Key management personnel

Name	Position title	Short-term benefits			Post-employment benefits		Other long-term benefits		Termination benefits	Total remuneration
		Base salary	Bonuses	Other benefits and allowances	Superannuation contributions	Long service leave	Other long-term benefits			
								\$		
R Pye	Clerk of the Senate	384,680	-	1,169	56,538	9,671				452,058
M Weeks	Deputy Clerk of the Senate	251,693	-	26,689	42,207	5,968				326,557
J Morris	Clerk Assistant, Procedure	186,600	-	26,689	36,083	4,829				254,201
T Bryant	Clerk Assistant, Committees	193,699	-	26,689	35,430	4,814				260,632
R Callinan	Clerk Assistant, Table	196,321	-	26,689	29,301	4,807				257,118
B Hallett ¹	Usher of the Black Rod	24,028	-	14,707	18,794	920				58,449
J Bagley ²	Usher of the Black Rod	147,840	-	20,817	17,988	3,654				190,299
Total³		1,384,861	-	143,449	236,341	34,663				1,799,314

1 Retired on 22 January 2019

2 Commenced on 17 September 2018

3 The total amounts outlined in this table correspond with the disclosure at Note 6A

Note 6D: Executive remuneration disclosure – Senior executives and other highly paid staff

During the reporting period, all the department senior executives were included in the key management personnel disclosed above (2018: Nil). The department does not have any other highly paid staff that meet the reporting threshold (2018: Nil).

Notes to and forming part of the financial statements

for the year ended 30 June 2019

	2019 \$'000	2018 \$'000
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Note 7: Appropriations

Note 7A: Annual appropriations (recoverable GST exclusive)

Annual appropriation	23,463	23,387
PGPA Act – section 74 receipts	696	663
Departmental capital budget (DCB) ¹	775	914
Total appropriation	24,934	24,964
Appropriation applied (current and prior years)	23,960	23,921
Variance	974	1,043

- 1 The DCB is appropriated through the Appropriation (Parliamentary Departments) Act (No. 1). It is not separately identified in the Appropriation Act.

Note 7B: Unspent annual appropriations (recoverable GST exclusive)

Departmental

<i>Appropriation (Parliamentary Departments) Act (No. 1) 2016–17</i>	-	110
<i>Appropriation (Parliamentary Departments) Act (No. 1) 2017–18</i>	150	11,206
<i>Appropriation (Parliamentary Departments) Act (No. 1) 2018–19</i>	12,153	-
Total	12,303	11,316

Note 7C: Special appropriations managed through third party arrangements (recoverable GST exclusive)

Authority²

Department of Finance – <i>Parliamentary Entitlements Act 1990</i> (s. 11)	-	72
Australian Public Service Commission – <i>Remuneration Tribunal Act 1973</i> (s. 7) ³	-	9,605
Department of Finance – <i>Parliamentary Superannuation Act 2004</i> (s. 18)	2,495	2,398
Department of Finance – Commonwealth of Australia Constitution (s. 66)	1,516	1,604
Department of Finance – <i>Parliamentary Business Resources Act 2017</i> (s. 59)	20,099	9,829
Total	24,110	23,508

- 2 Arrangements have been entered into with the Department of Finance and the Australian Public Service Commission (for 2017–18) to allow the department to draw upon these appropriations.
- 3 From 1 January 2018, following the commencement of the *Parliamentary Business Resources Act 2017*, the department ceased making payments on behalf of the Australian Public Service Commission.

Notes to and forming part of the financial statements

for the year ended 30 June 2019

Note 8: Budget variances

The comparison of the unaudited original budget as presented in the 2018–19 Portfolio Budget Statements to the 2018–19 final outcome as presented in accordance with Australian Accounting Standards and Interpretations – Reduced Disclosure Requirements is included in the statement of comprehensive income, the statement of financial position, the statement of changes in equity and the cash flow statement. Explanations of major variances are those within the control of the department.

Major variances

Explanation of major variance	"Variance to budget \$'000"	% of budget	Affected line items
The <i>Trade and other receivables</i> balance was higher than originally budgeted primarily due to higher than anticipated appropriation receivable balance. The contributing factors for this difference were the reduced supplier expenditure due to lower than anticipated departmental activity as a result of the election period and the significantly lower than budgeted asset purchases due to delays in ICT projects and under spends in furniture acquisitions.	(4,493)	-59%	"Statement of financial position: – Trade and other receivables"
The <i>Property, plant and equipment, Intangibles and Contributed equity</i> balances were lower than budgeted due to assets transferred to Department of Parliamentary Services late in 2017–18, after the budget was passed.	3,347	43%	"Statement of financial position: – Property, plant and equipment"
	2,160	99%	"Statement of financial position: – Intangibles"
	2,254	47%	"Statement of changes in equity: – Contributed equity"
The variance of <i>Employee provisions</i> to budget is primarily due a revision of the methodology for calculating the provision which occurred after the original budget was set in the 2017–18 PBS. In addition, the significant reduction of the 10 year bond rate has resulted in an increase in the discounting factor applied to the leave balances.	(1,580)	-30%	"Statement of financial position: – Employee provisions"