



# Office of the Information Commissioner

*Freedom of information for Western Australia*



## **ANNUAL REPORT 2022/23**

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We acknowledge the traditional custodians throughout Western Australia and their continuing connection to the land, waters and community. We pay our respects to all members of the Aboriginal communities and their cultures; and to Elders both past, present and emerging.

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This annual report and previous annual reports are published on the OIC website and are available in other formats on request.



Office of the  
Information Commissioner

*Freedom of information for Western Australia*

11 October 2023

**SPEAKER OF THE LEGISLATIVE ASSEMBLY  
PRESIDENT OF THE LEGISLATIVE COUNCIL**

#### ANNUAL REPORT TO 30 JUNE 2023

In accordance with section 63 of the *Financial Management Act 2006* I hereby submit my report for the reporting period ended 30 June 2023.

The annual report has been prepared in accordance with the provisions of the *Financial Management Act 2006* and the reporting requirements of the *Freedom of Information Act 1992* (WA).

Catherine Fletcher  
INFORMATION COMMISSIONER

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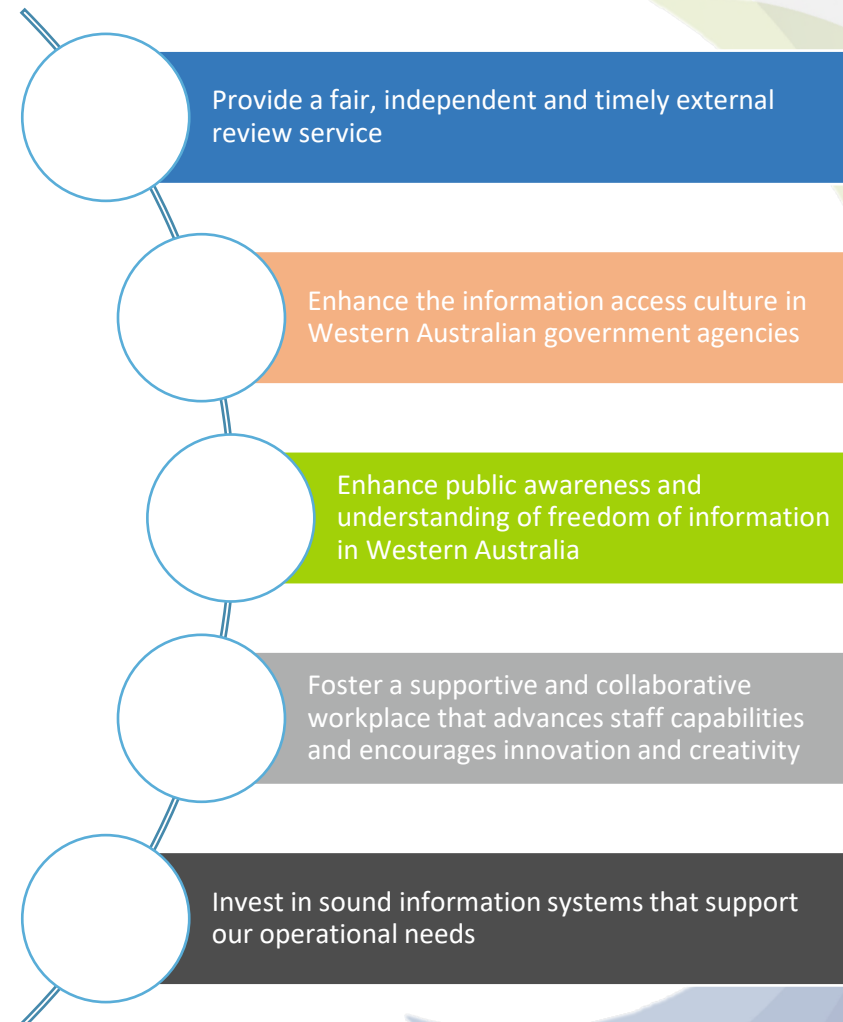
## About this report

Welcome to the annual report of the Office of the Information Commissioner (**the OIC**) for 2022/23.

The aim of this annual report is to give a comprehensive overview of our performance during the year, provide insight into the goals and operations of our office and the operation of the *Freedom of Information Act 1992 (WA)* (**the FOI Act**) in Western Australia. The services we deliver are designed to provide an outcome that gives the people of Western Australia access to documents held by WA State and local government agencies, as required by the law, and to provide a mechanism to ensure their personal information is accurate and up-to-date. We also educate agencies on their responsibilities under freedom of information (**FOI**) legislation and provide assistance to the community to help them understand their rights under FOI legislation.

The key message of FOI legislation mirrors the purpose of agency annual reports – greater accountability and transparency. We trust that this report on our activities and performance during the year provides valuable insight into our operations.

## Strategic goals



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# Financial Statements

## Office of the Information Commissioner

### Disclosures and Legal Compliance

#### Certification of financial statements

For the reporting period ended 30 June 2023

The accompanying financial statements of the Office of the Information Commissioner have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2023 and the financial position as at 30 June 2023.

At the date of signing we are not aware of any circumstances which would render the particulars included within the financial statements misleading or inaccurate.



**Catherine Fletcher**  
Information Commissioner  
6 October 2023



**Michelle Fitzgerald**  
Chief Finance Officer  
6 October 2023

Nexia Perth Audit Services Pty Ltd



## Auditor General

### INDEPENDENT AUDITOR'S REPORT

2023

Office of the Information Commissioner

To the Parliament of Western Australia

### Report on the audit of the financial statements

#### Opinion

I have audited the financial statements of the Office of the Information Commissioner (Commissioner) which comprise:

- the Statement of Financial Position at 30 June 2023, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements are:

- based on proper accounts and present fairly, in all material respects, the operating results and cash flows of the Office of the Information Commissioner for the year ended 30 June 2023 and the financial position at the end of that period
- in accordance with Australian Accounting Standards (applicable to Tier 2 Entities), the *Financial Management Act 2006* and the Treasurer's Instructions.

#### Basis for opinion

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

#### Responsibilities of the Information Commissioner for the financial statements

The Information Commissioner is responsible for:

- keeping proper accounts
- preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (applicable to Tier 2 Entities), the *Financial Management Act 2006* and the Treasurer's Instructions
- such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the financial statements, the Information Commissioner is responsible for:

- assessing the entity's ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of the Commissioner.

#### Auditor's responsibilities for the audit of the financial statements

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements. The objectives of my audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, 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 Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. 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.

A further description of my responsibilities for the audit of the financial statements is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at [https://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf).

### Report on the audit of controls

#### Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by the Office of the Information Commissioner. The controls exercised by the Information Commissioner are those policies and procedures established to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with the State's financial reporting framework (the overall control objectives).

In my opinion, in all material respects, the controls exercised by the Office of the Information Commissioner are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with the State's financial reporting framework during the year ended 30 June 2023.

#### The Information Commissioner's responsibilities

The Information Commissioner is responsible for designing, implementing and maintaining controls to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities are in accordance with the *Financial Management Act 2006*, the Treasurer's Instructions and other relevant written law.

#### Auditor General's responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the suitability of the design of the controls to achieve the overall control objectives and the implementation of the controls as designed. I conducted my engagement in accordance with Standard on Assurance Engagement ASAE 3150 *Assurance Engagements on Controls* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements and plan and perform my procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the overall control objectives and were implemented as designed.

An assurance engagement involves performing procedures to obtain evidence about the suitability of the controls design to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgement, including an assessment of the risks that controls are not suitably designed or implemented as designed. My procedures included testing the implementation of those controls that I consider necessary to achieve the overall control objectives.

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

#### Limitations of controls

Because of the inherent limitations of any internal control structure, it is possible that, even if the controls are suitably designed and implemented as designed, once in operation, the overall control objectives may not be achieved so that fraud, error or non-compliance with laws and regulations may occur and not be detected. Any projection of the outcome of the evaluation of the suitability of the design of controls to future periods is subject to the risk that the controls may become unsuitable because of changes in conditions.

### Report on the audit of the key performance indicators

#### Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of the Office of the Information Commissioner for the year ended 30 June 2023. The key performance indicators are the Under Treasurer-approved key effectiveness indicators and key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators of the Office of the Information Commissioner are relevant and appropriate to assist users to assess the Commissioner's performance and fairly represent indicated performance for the year ended 30 June 2023.

#### The Information Commissioner's responsibilities for the key performance indicators

The Information Commissioner is responsible for the preparation and fair presentation of the key performance indicators in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions and for such internal controls as the Information Commissioner determines necessary to enable the preparation of key performance indicators that are free from material misstatement, whether due to fraud or error.



In preparing the key performance indicators, the Information Commissioner is responsible for identifying key performance indicators that are relevant and appropriate, having regard to their purpose in accordance with Treasurer's Instructions 904 *Key Performance Indicators*.

**Auditor General's responsibilities**

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the key performance indicators. The objectives of my engagement are to obtain reasonable assurance about whether the key performance indicators are relevant and appropriate to assist users to assess the entity's performance and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements relating to assurance engagements.

An assurance engagement involves performing procedures to obtain evidence about the amounts and disclosures in the key performance indicators. It also involves evaluating the relevance and appropriateness of the key performance indicators against the criteria and guidance in Treasurer's Instruction 904 for measuring the extent of outcome achievement and the efficiency of service delivery. The procedures selected depend on my judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments, I obtain an understanding of internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances.

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

**My independence and quality management relating to the report on financial statements, controls and key performance indicators**

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, the Office of the Auditor General maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

**Other information**

The Information Commissioner responsible for the other information. The other information is the information in the entity's annual report for the year ended 30 June 2023, but not the financial statements, key performance indicators and my auditor's report.

My opinions on the financial statements, controls and key performance indicators do not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, controls and key performance indicators my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and key performance indicators or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to those charged with governance and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

**Matters relating to the electronic publication of the audited financial statements and key performance indicators**

The auditor's report relates to the financial statements and key performance indicators of the Office of the Information Commissioner for the year ended 30 June 2023 included in the annual report on the Commissioner's website. The Commissioner's management is responsible for the integrity of the Commissioner's website. This audit does not provide assurance on the integrity of the Commissioner's website. The auditor's report refers only to the financial statements, controls and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to contact the entity to confirm the information contained in the website version.

Tim Sanya  
Senior Director Financial Audit  
Delegate of the Auditor General for Western Australia  
Perth, Western Australia  
9 October 2023

## Statement of Comprehensive Income – 30 June 2023

	Note	2023 \$	2022 \$
<b>Cost of services</b>			
<i>Expenses</i>			
Employee benefits expense	<a href="#">2.1(a)</a>	1,964,516	1,745,935
Supplies and services	<a href="#">2.2</a>	560,574	565,078
Depreciation expense	<a href="#">4.1(a)</a>	1,710	1,710
Accommodation expenses	<a href="#">2.2</a>	201,222	201,222
Other expenses	<a href="#">2.2</a>	134,371	98,128
<b>Total cost of services</b>		<b>2,862,393</b>	<b>2,612,073</b>
<i>Income</i>			
<u>Revenue</u>			
Commonwealth contributions	<a href="#">3.2</a>	78,243	-
Other income		1	450
<b>Total income</b>		<b>78,244</b>	<b>450</b>
<b>Net cost of services</b>		<b>2,784,149</b>	<b>2,611,623</b>
<i>Income from State Government</i>			
Service appropriation	<a href="#">3.1</a>	2,390,000	2,262,000
Services received free of charge	<a href="#">3.1</a>	23,767	55,937
<b>Total income from State Government</b>		<b>2,413,767</b>	<b>2,317,937</b>
<b>Surplus/(deficit) for the period</b>		<b>(370,382)</b>	<b>(293,686)</b>
<b>Other comprehensive income</b>			
<b>Total other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>		<b>(370,382)</b>	<b>(293,686)</b>

See also the 'Schedule of Income and Expenses by Service'.

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

## Statement of Financial Position – 30 June 2023

	Note	2023 \$	2022 \$
<b>Assets</b>			
<i>Current Assets</i>			
Cash and cash equivalents	<a href="#">6.1</a>	400,052	738,868
Receivables	<a href="#">5.1</a>	22,329	19,111
Other current assets	<a href="#">5.3</a>	21,332	8,099
<b>Total Current Assets</b>		<b>443,713</b>	<b>766,078</b>
<i>Non-Current Assets</i>			
Restricted cash and cash equivalents	<a href="#">6.1</a>	38,493	31,807
Amounts receivable for services	<a href="#">5.2</a>	58,000	52,000
Property, plant and equipment	<a href="#">4.1</a>	3,424	5,134
<b>Total Non-Current Assets</b>		<b>99,917</b>	<b>88,941</b>
<b>Total Assets</b>		<b>543,630</b>	<b>855,019</b>
<b>Liabilities</b>			
<i>Current Liabilities</i>			
Payables	<a href="#">5.4</a>	60,676	55,155
Employee related provisions	<a href="#">2.1(b)</a>	417,760	377,167
<b>Total Current Liabilities</b>		<b>478,436</b>	<b>432,322</b>
<i>Non-Current Liabilities</i>			
Employee related provisions	<a href="#">2.1(b)</a>	47,661	34,782
<b>Total Non-Current Liabilities</b>		<b>47,661</b>	<b>34,782</b>
<b>Total Liabilities</b>		<b>526,097</b>	<b>467,104</b>
<b>Net Assets</b>		<b>17,533</b>	<b>387,915</b>
<b>Equity</b>			
Contributed equity		37,000	37,000
Accumulated surplus/(deficit)		(19,467)	350,915
<b>Total Equity</b>		<b>17,533</b>	<b>387,915</b>

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

## Statement of Changes in Equity – 30 June 2023

	Contributed Equity \$	Accumulated Surplus/ (deficit) \$	Total Equity \$
<b>Balance at 1 July 2021</b>	37,000	644,601	681,601
Surplus/(deficit)	-	(293,686)	(293,686)
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	(293,686)	(293,686)
<b>Balance at 30 June 2022</b>	<b>37,000</b>	<b>350,915</b>	<b>387,915</b>
<b>Balance at 1 July 2022</b>	37,000	350,915	387,915
Surplus/(deficit)	-	(370,382)	(370,382)
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	(370,382)	(370,382)
<b>Balance at 30 June 2023</b>	<b>37,000</b>	<b>(19,467)</b>	<b>17,533</b>

## Statement of Cash Flows – 30 June 2023

	Note	2023 \$	2022 \$
<b>Cash Flows from State Government</b>			
Service appropriation		2,384,000	2,254,000
<b>Net cash provided by State Government</b>		<b>2,384,000</b>	<b>2,254,000</b>
<i>Utilised as follows:</i>			
<b>Cash Flows from Operating Activities</b>			
<i>Payments</i>			
Employee benefits		(1,899,562)	(1,719,660)
Supplies and services		(556,904)	(515,289)
Accommodation		(201,222)	(201,222)
GST payments on purchases		(87,818)	(80,374)
Other payments		(134,362)	(98,128)
<i>Receipts</i>			
Commonwealth contributions		78,243	-
GST receipts on sales		191	45
GST receipts from taxation authority		85,303	73,722
Other receipts		1	450
<b>Net cash provided by/(used in) operating activities</b>		<b>(2,716,130)</b>	<b>(2,540,456)</b>
<b>Cash Flows from Investing Activities</b>			
<i>Payments</i>			
Purchase of non-current physical assets		-	-
<i>Receipts</i>			
Proceeds from sale of non-current physical assets		-	-
<b>Net cash provided by/(used in) investing activities</b>		<b>-</b>	<b>-</b>
Net increase/(decrease) in cash and cash equivalents		(332,130)	(286,456)
Cash and cash equivalents at the beginning of the period		770,675	1,057,131
<b>Cash and cash equivalents at the end of the period</b>	<a href="#">6.1</a>	<b>438,545</b>	<b>770,675</b>

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

## Note 1. Basis of Preparation

The OIC is a WA Government entity and is controlled by the State of Western Australia, which is the ultimate parent. The OIC is a not-for-profit entity (as profit is not its principal objective).

A description of the nature of its operations and its principal activities have been included in the *Overview* which does not form part of these financial statements.

These annual financial statements were authorised for issue by the Commissioner on 6 October 2023.

### *Statement of compliance*

These general purpose financial statements have been prepared in accordance with:

- 1) The *Financial Management Act 2006 (FMA)*
- 2) The *Treasurer's Instructions (TIs)*
- 3) Australian Accounting Standards (**AAS**) – Simplified Disclosures
- 4) Where appropriate, those AAS paragraphs applicable for not-for-profit entities have been applied.

The FMA and the TIs take precedence over AAS. Several AAS are modified by the TIs to vary application, disclosure format and wording. Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

### *Basis of preparation*

These financial statements are presented in Australian dollars applying the accrual basis of accounting and using the historical cost convention. Certain balances will apply a different measurement basis (such as the fair value basis). Where this is the case the different measurement basis is disclosed in the associated note.

### *Accounting for Goods and Services Tax (GST)*

Income, expenses and assets are recognised net of the amount of goods and services tax (GST), except that the:

- (a) amount of GST incurred by the OIC as a purchaser that is not recoverable from the Australian Taxation Office (**ATO**) is recognised as part of an asset's cost of acquisition or as part of an item of expense; and
- (b) receivables and payables are stated with the amount of GST included.

Cash flows are included in the Statement of Cash Flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

### *Comparative information*

Except when an AAS permits or requires otherwise, comparative information is presented in respect of the previous period for all amounts reported in the financial statements. AASB 1060 provides relief from presenting comparatives for:

- Property, Plant and Equipment reconciliations;

## Judgements and estimates

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements and estimates made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements and/or estimates are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances.

## Note 2. Use of our funding

### Expenses incurred in the delivery of services

This section provides additional information about how the OIC's funding is applied and the accounting policies that are relevant for an understanding of the items recognised in the financial statements. The primary expenses incurred by the OIC in achieving its objectives and the relevant notes are:

	<b>Notes</b>
Employee benefits expense	<a href="#">2.1(a)</a>
Employee related provisions	<a href="#">2.1(b)</a>
Other expenditure	<a href="#">2.2</a>

## Note 2.1(a) Employee benefits expense

	2023 \$	2022 \$
Employee benefits	1,785,394	1,585,361
Superannuation – defined contribution plans	179,122	160,574
<b>Total employee benefits expenses</b>	<b>1,964,516</b>	<b>1,745,935</b>

**Employee benefits** include wages, salaries and social contributions, accrued and paid leave entitlements and paid sick leave, and non-monetary benefits recognised under accounting standards other than AASB16 (such as medical care, housing, cars and free or subsidised goods or services) for employees.

**Superannuation** is the amount recognised in profit or loss of the Statement of Comprehensive Income comprises employer contributions paid to the GSS (concurrent contributions), the WSS or other GESB schemes or other superannuation funds.

## Note 2.1(b) Employee related provisions

	2023 \$	2022 \$
<b>Current</b>		
<i>Employee benefits provision</i>		
Annual leave	159,875	146,202
Long service leave	255,996	229,266
	415,871	375,468

<i>Other provisions</i>			
Employment on-costs		1,889	1,699
<b>Total current employee related provisions</b>		<b>417,760</b>	<b>377,167</b>
<b>Non-current</b>			
<i>Employee benefits provision</i>			
Long service leave		47,448	34,626
		<b>47,448</b>	<b>34,626</b>
<i>Other provisions</i>			
Employment on-costs		213	156
<b>Total non-current employee related provisions</b>		<b>47,661</b>	<b>34,782</b>
<b>Total employee related provisions</b>		<b>465,421</b>	<b>411,949</b>

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

**Annual leave liabilities** are classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

The provision for annual leave is calculated at the present value of expected payments to be made in relation to services provided by employees up to the reporting date.

**Long service leave liabilities** are unconditional long service leave provisions are classified as current liabilities as the OIC does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Pre-conditional and conditional long service leave provisions are classified as non-current liabilities because the OIC has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

The provision for long service leave is calculated at present value as the OIC does not expect to wholly settle the amounts within 12 months. The present value is measured taking into account the present value of expected future payments to be made in relation to services provided by employees up to the reporting date. These payments are estimated using the remuneration rate expected to apply at the time of settlement, and discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

**Employment on-costs** involve the settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers' compensation insurance. The provision is the present value of expected future payments.

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of *Other expenditure* (Note 2.2) (apart from the unwinding of the discount (finance cost)) and are not included as part of the OIC's 'employee benefits expense'. The related liability is included in *Employment on-costs provision*.



	2023 \$	2022 \$
<i>Employment on-cost provision</i>		
Carrying amount at start of period	1,855	1,776
Additional/(reversals of) provisions recognised	247	79
<b>Carrying amount at the end of the period</b>	<b>2,102</b>	<b>1,855</b>

**Key sources of estimation uncertainty – long service leave**

Key estimates and assumptions concerning the future are based on historical experience and various other factors that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Several estimates and assumptions are used in calculating the OIC’s long service leave provision. These include:

- expected future salary rates;
- discount rates;
- employee retention rates; and
- expected future payments.

Changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision. Any gain or loss following revaluation of the present value of long service leave liabilities is recognised as an employee benefits expense.

**Note 2.2 Other expenditure**

	2023 \$	2022 \$
<i>Supplies and services</i>		
Goods and supplies	37,286	87,712
Services and contracts	523,288	477,366
<b>Total supplies and services expenses</b>	<b>560,574</b>	<b>565,078</b>
<i>Accommodation expenses</i>		
Office rental	201,222	201,222
<b>Total accommodation expense</b>	<b>201,222</b>	<b>201,222</b>
<i>Other expenses</i>		
Communications	2,068	1,161
Printing and binding	2,731	6,606
Electricity	6,210	5,328
Insurance	16,871	14,374
Travel and accommodation	25,347	2,917
Professional development	17,234	14,159
Audit fees	34,200	27,900
Employment on-costs	247	81
Research	22,577	25,556
Other	6,886	46
<b>Total other expenses</b>	<b>134,371</b>	<b>98,128</b>
<b>Total other expenditure</b>	<b>896,167</b>	<b>864,428</b>

**Supplies and services expenses** are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any materials held for distribution are expensed when the materials are distributed.

**Office rental** is expensed as incurred as Memorandum of Understanding Agreements between the OIC and the Department of Finance for the leasing of office accommodation contain significant substitution rights.

**Other operating expenses** generally represent the day-to-day running costs incurred in normal operations.

**Employee on-costs** includes workers' compensation insurance and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liabilities is included at Note 2.1(b) *Employee related provisions*. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

## Note 3. Our Funding Sources

### *How we obtain our funding*

This section provides additional information about how the OIC obtains its funding and the relevant accounting policy notes that govern the recognition and measurement of this funding. The primary income received by the OIC and the relevant notes are:

	<b>Notes</b>
Income from State Government	<a href="#">3.1</a>
Other income	<a href="#">3.2</a>

### **Note 3.1 Income from State Government**

	2023 \$	2022 \$
<i>Appropriation received during the period:</i>		
Service appropriations	2,110,000	1,983,000
Service appropriations - Other Statutes	280,000	279,000
<b>Total appropriation received during period</b>	<b>2,390,000</b>	<b>2,262,000</b>
<i>Resources received free of charge from other public sector entities during the period:</i>		
<u>Services received free of charge</u>		
Department of Finance - Building Management and Works	13,145	55,106
State Solicitor's Office	10,622	831
<b>Total resources received from other public sector entities</b>	<b>23,767</b>	<b>55,937</b>
<b>Total income from State Government</b>	<b>2,413,767</b>	<b>2,317,937</b>

**Service appropriations** are recognised as income at the fair value of consideration received in the period in which the OIC gains control of the appropriated funds. The OIC gains control of appropriated funds at the time those funds are deposited in the bank account or credited to holding account held at Treasury.

**Resources received from other public sector entities** is recognised as income equivalent to the fair value of the assets received, or the fair value of those services received that can be reliably determined and which would have been purchased if not donated.

## Summary of consolidated account appropriations for the year ended 30 June 2023

	2023				
	Budget	Supple- mentary Funding	Revised Budget	Actual	Variance
<i>Delivery of services</i>	\$'000				
Item 12 Net amount appropriated to deliver services	2,031	79	2,110	2,110	-
<i>Amount Authorised by Other Statutes</i>					
<i>Freedom of Information Act 1992</i>	280	-	280	280	-
<b>Total appropriations to deliver services</b>	<b>2,311</b>	<b>79</b>	<b>2,390</b>	<b>2,390</b>	<b>-</b>

Supplementary funding was provided in 2022/23 for the 3% salary increase and cost of living payment as per the *Public Sector CSA Agreement 2022*.

### Note 3.2 Commonwealth contributions

	2023 \$	2022 \$
Other income	11,374	-
Commonwealth funding for Indian Ocean Territories <sup>(a)</sup>	66,869	-
<b>Total contributions</b>	<b>78,243</b>	<b>-</b>

(a) The Indian Ocean Territories funding is paid as part of a service delivery arrangement with the Commonwealth for delivery of FOI services to the Indian Ocean Territories.

Grants and contributions are recognised at fair value when the OIC obtains control over the assets comprising the contributions, usually when cash is received.

## Note 4. Key Assets

### Assets the OIC utilises for economic benefit or service potential

This section includes information regarding the key assets the OIC utilises to gain economic benefits or provide service potential or provide service potential. The section sets out both the key accounting policies and financial information about the performance of these assets:

	Notes	2023 \$	2022 \$
Property, plant and equipment	<a href="#">4.1</a>	3,424	5,134
<b>Total key assets</b>		<b>3,424</b>	<b>5,134</b>

### Note 4.1(a) Property, plant and equipment

	2023 \$	2022 \$
<i>Office equipment and computers</i>		
At cost	40,949	40,949
Accumulated depreciation	(37,525)	(35,815)
	<b>3,424</b>	<b>5,134</b>

Reconciliations of the carrying amounts of office equipment and computers at the beginning and end of the reporting period are set out below:

### 1 July 2022

Gross carrying amount	40,949
Accumulated depreciation	(35,815)
<b>Carrying amount at the start of the period</b>	<b>5,134</b>
Additions	-
Depreciation	(1,710)
<b>Carrying amount at the end of the period</b>	<b>3,424</b>
Gross carrying amount	40,949
Accumulated depreciation	(37,525)

### Initial recognition

Items of property, plant and equipment costing \$5,000 or more are measured initially at cost. Where an asset is acquired for no cost or significantly less than fair value, the cost is valued at its fair value at the date of acquisition. Items of property, plant and equipment costing less than \$5,000 are immediately expensed direct to the Statement of Comprehensive Income (other than where they form part of a group of similar items which are significant in total).

### Subsequent measurement

Plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

### Useful lives

All plant and equipment having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic

benefits. The exceptions to this rule include assets held for sale, land and investment properties.

Depreciation is generally calculated on a straight line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different asset classes for current and prior years are included in the table below:

Asset	Useful life: years
Office equipment	5 years
Computers	3 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments should be made where appropriate.

### Impairment

Non-financial assets, including items of plant and equipment, are tested for impairment whenever there is an indication that the asset may be impaired. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised.

Where an asset measured at cost is written down to its recoverable amount, an impairment loss is recognised through profit or loss.

Where a previously revalued asset is written down to its recoverable amount, the loss is recognised as a revaluation decrement through other comprehensive income to the extent that the impairment loss does not exceed the amount in the revaluation surplus for the class of asset.

As the OIC is a not-for-profit office, the recoverable amount of regularly revalued specialised assets is anticipated to be materially the same as fair value.

If there is an indication that there has been a reversal in impairment, the carrying amount shall be increased to its recoverable amount. However this reversal should not increase the asset’s carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

## Note 5. Other assets and liabilities

This section sets out those assets and liabilities that arose from the OIC’s controlled operations and includes other assets utilised for economic benefits and liabilities incurred during normal operations:

	Notes
Receivables	<a href="#">5.1</a>
Amounts receivable for services	<a href="#">5.2</a>
Other assets	<a href="#">5.3</a>
Payables	<a href="#">5.4</a>

### Note 5.1 Receivables

	2023 \$	2022 \$
<i>Current</i>		\$
Trade receivables	1,304	554
GST receivable	21,025	18,557
<b>Total receivables</b>	<b>22,329</b>	<b>19,111</b>

**Trade receivables** are initially recognised at their transaction price or, for those receivables that contain a significant

financing component, at fair value. The OIC holds the receivables with the objective to collect the contractual cash flows and therefore subsequently measured at amortised cost using the effective interest method, less an allowance for impairment.

The OIC recognises a loss allowance for expected credit losses (**ECLs**) on a receivable not held at fair value through profit or loss. The ECLs based on the difference between the contractual cash flows and the cash flows that the entity expects to receive, discounted at the original effective interest rate. Individual receivables are written off when the OIC has no reasonable expectations of recovering the contractual cash flows.

For trade receivables, OIC recognises an allowance for ECLs measured at the lifetime expected credit losses at each reporting date. The OIC has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. There was no ECL expenses in this financial year.

### Note 5.2 Amounts receivable for services (Holding Account)

	2023 \$	2022 \$
Non-current	58,000	52,000
<b>Total amounts receivable for services at end of period</b>	<b>58,000</b>	<b>52,000</b>

**Amounts receivable for services** represent the non-cash component of service appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liability.

Amounts receivable for services are considered not impaired (ie there is no expected credit loss of the Holding Account).

### Note 5.3 Other assets

	2023 \$	2022 \$
<i>Current</i>		
Prepayments	21,332	8,099
<b>Total amounts receivable for services at end of period</b>	<b>21,332</b>	<b>8,099</b>

**Prepayments** represent payments in advance of receipt of goods or services, or that part of expenditure made in one accounting period covering a term extending beyond that period.

### Note 5.4 Payables

	2023 \$	2022 \$
<i>Current</i>		
Trade payables	17,581	23,693
GST payable	191	40
Accrued salaries	42,904	31,422
<b>Total amounts receivable for services at end of period</b>	<b>60,676</b>	<b>55,155</b>

**Payables** are recognised at the amounts payable when the OIC becomes obliged to make future payments as a result of a

purchase of assets or services. The carrying amount is equivalent to fair value, as settlement is generally within 15 to 20 days.

**Accrued salaries** represent the amount due to staff but unpaid at the end of the reporting period. Accrued salaries are settled within a fortnight after the reporting period. The OIC considers the carrying amount of accrued salaries to be equivalent to its fair value.

## Note 6. Financing

This section sets out the material balances and disclosures associated with the financing and cash flows of the OIC.

	2023 \$	2022 \$	Notes
Cash and cash equivalents	400,052	738,868	<a href="#">6.1</a>
Restricted cash and cash equivalents	38,493	31,807	
<b>Balance at the end of the period</b>	<b>438,545</b>	<b>770,675</b>	

### Note 6.1 Cash and cash equivalents

	2023 \$	2022 \$
<i>Non-current</i>		
Accrued salaries suspense account <sup>(a)</sup>	38,493	31,807
	<b>38,493</b>	<b>31,807</b>

(a) Funds held in the suspense account for the purpose of meeting the 27<sup>th</sup> pay in a reporting period that occurs every 11<sup>th</sup> year. This account is classified as non-current for 10 out of 11 years.

For the purpose of the statement of cash flows, cash and cash equivalent assets comprise cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

The accrued salaries suspense account consists of amounts paid annually, from OIC appropriations for salaries expense into a Treasury suspense account to meet the additional cash outflow for employee salary payments in reporting periods with 27 pay days instead of the normal 26. No interest is received on this account.

## Note 7. Financial instruments and contingencies

This note sets out the key risk management policies and measurement techniques of the OIC.

### Notes

Financial instruments	<a href="#">7.1</a>
Contingent assets and liabilities	<a href="#">7.2</a>

### Note 7.1 Financial Instruments

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are:

	2023 \$	2022 \$
<i>Financial assets</i>		
Cash and cash equivalents	438,545	770,675
Financial assets at amortised cost <sup>(a)</sup>	58,000	52,000
<b>Total financial assets</b>	<b>496,545</b>	<b>822,675</b>
<i>Financial liabilities</i>		
Financial liabilities at amortised cost <sup>(b)</sup>	60,676	55,155
<b>Total financial liabilities</b>	<b>60,676</b>	<b>55,155</b>

- (a) The amount of financial assets at amortised cost excludes GST recoverable from the ATO (statutory receivable).
- (b) The amount of financial liabilities at amortised cost excludes GST payable to the ATO (statutory payable).

### Note 7.2 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position but are disclosed and, if quantifiable, are measured at the best estimate.

The OIC had no contingent liabilities or contingent assets as of 30 June 2023.

## Note 8. Other disclosures

This section includes additional material disclosures required by accounting standards or other pronouncements, for the understanding of this financial report.

**Notes**

Events occurring after the end of the reporting period	<a href="#">8.1</a>
Correction of period errors/changes in accounting policies	<a href="#">8.2</a>
Key management personnel	<a href="#">8.3</a>
Related party transactions	<a href="#">8.4</a>
Related bodies	<a href="#">8.5</a>
Affiliated bodies	<a href="#">8.6</a>
Special purpose accounts	<a href="#">8.7</a>
Remuneration of auditors	<a href="#">8.8</a>
Non-current assets held for sale	<a href="#">8.9</a>
Supplementary financial information	<a href="#">8.10</a>
Special category funding	<a href="#">8.11</a>

### **Note 8.1 Events occurring after the end of the reporting period**

There were no events occurring after the reporting date that impact on the financial statements.

### **Note 8.2 Changes in accounting policies**

The OIC has not made any changes to its accounting policies or corrected any prior period errors that would impact on the reported results of the OIC.

### **Note 8.3 Key management personnel**

The OIC has determined key management personnel to include senior officers of the OIC. The OIC does not incur expenditures to compensate Ministers and those disclosures may be found in the Annual Report on State Finances.

The total fees, salaries, superannuation, non-monetary benefits and other benefits for senior officers of the OIC for the reporting period are presented within the following bands:

Compensation Band (\$)	2023	2022
\$300,001 - \$350,000	1	1
	1	1
	2023	2022
	\$	\$
<b>Total compensation of senior officers</b>	<b>346,818</b>	<b>301,464</b>

### **Note 8.4 Related party transactions**

The OIC is a wholly-owned public sector entity that is controlled by of the State of Western Australia.

Related parties of the OIC include:

- all Cabinet Ministers and their close family members, and their controlled or jointly controlled entities;
- all senior officers and their close family members, and their controlled or jointly controlled entities;
- other agencies and statutory authorities, including related bodies, that are included in the whole of government consolidated financial statements (ie wholly owned public sector entities);
- associates and joint ventures of a wholly-owned public sector entity; and
- the Government Employees Superannuation Board.



**Material transactions with related parties**

Outside of normal citizen type transactions with the OIC, there were no other related party transactions that involved key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities.

***Note 8.5 Related bodies***

The OIC has no related bodies.

***Note 8.6 Affiliated bodies***

The OIC has no affiliated bodies.

***Note 8.7 Special purpose accounts***

The OIC has no special purpose accounts.

***Note 8.8 Remuneration of auditors***

Remuneration paid or payable to the Auditor General in respect of the audit for the current financial year is as follows:

	2023 \$	2022 \$
Auditing of accounts, financial statements and performance indicators	30,250	27,000
	<b>30,250</b>	<b>27,000</b>

***Note 8.9 Non-current assets held for sale***

The OIC has no non-current assets held for sale.

***Note 8.10 Supplementary financial information***

**(a) Write-offs**

There were no write-offs during the previous or current financial year.

**(b) Losses through theft, defaults and other causes**

There were no thefts, defaults or losses during the previous or current financial year.

**(c) Forgiveness of debts**

There were no debts waived during the previous or current year.

**(d) Gifts of public property**

There were no gifts of public property during the previous or current financial year.

***Note 8.11 Special category funding***

During the course of the year the OIC realised expenditure related to services provided to the Indian Ocean Territories. The services provided are pursuant to the service delivery agreement with the Commonwealth Government.

	2023 \$	2022 \$
Balance at the start of the period	-	-
Receipt from the Commonwealth	66,869	-
Expenditure	(50,471)	-
Balance at end of period	<b>16,398</b>	-

## Note 9 Explanatory statement

This section explains variations in the financial performance of the OIC.

### Notes

Explanatory Statement for Controlled Operations

[9.1](#)

### ***9.1 Explanatory statement for controlled operations***

This explanatory section explains variations in the financial performance of the OIC undertaking transactions under its own control, as represented by the primary financial statements.

All variances between annual estimates (original budget) and actual results for 2023, and between the actual results for 2023 and 2022 are shown below. Narratives are provided for key major variances which vary more than 10% from their comparative and that the variation is more than 1% of the:

- Total Cost of Services for the Statements of comprehensive income and Statement of cash flows ( >\$28,108): and
- Total Assets for the Statement of financial position (>\$5,436).

*(See following page)*

### 9.1.1 Statement of comprehensive income variances

	Variance Note	Estimate 2023	Actual 2023	Actual 2022	Variance between estimate and actual	Variance between actual results for 2023 and 2022
<b>Statement of Comprehensive Income</b>						
<i>Expenses</i>						
Employee benefits expense	<a href="#">1, 2</a>	1,645,000	1,964,516	1,745,935	319,516	218,581
Supplies and services	<a href="#">3</a>	379,000	560,574	565,078	181,574	(4,504)
Accommodation expenses		228,000	201,222	201,222	(26,778)	0
Depreciation expense		6,000	1,710	1,710	(4,290)	(0)
Other expenses	<a href="#">4, 5</a>	167,000	134,371	98,128	(32,629)	36,243
<b>Total cost of services</b>		<b>2,425,000</b>	<b>2,862,393</b>	<b>2,612,073</b>	<b>437,393</b>	<b>250,320</b>
<i>Income</i>						
Commonwealth grants and contributions	<a href="#">6, 7</a>	-	78,243	-	78,243	78,243
Other income		4,000	1	450	(3,999)	(449)
<b>Total Revenue</b>		<b>4,000</b>	<b>78,244</b>	<b>450</b>	<b>74,244</b>	<b>77,794</b>
<b>Total income other than income from State Government</b>		<b>4,000</b>	<b>78,244</b>	<b>450</b>	<b>74,244</b>	<b>77,794</b>
<b>Net cost of services</b>		<b>2,421,000</b>	<b>2,784,149</b>	<b>2,611,623</b>	<b>363,149</b>	<b>172,526</b>
<u>Income from State Government</u>						
Service appropriation		2,311,000	2,390,000	2,262,000	79,000	128,000
Resources received free of charge	<a href="#">8, 9</a>	110,000	23,767	55,937	(86,233)	(32,170)
<b>Total income from State Government</b>		<b>2,421,000</b>	<b>2,413,767</b>	<b>2,317,937</b>	<b>(7,233)</b>	<b>95,830</b>
<b>Surplus/(deficit) for the period</b>		<b>-</b>	<b>(370,382)</b>	<b>(293,686)</b>	<b>(370,382)</b>	<b>(76,696)</b>
<b>Other comprehensive income</b>						
Total other comprehensive income		-	-	-	-	-
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>(370,382)</b>	<b>(293,686)</b>	<b>(370,382)</b>	<b>(76,696)</b>

**Major Estimate and Actual (2023) Variance Narratives for the Income Statement**

- 1) The variance in employee benefits is due to the 3% salary increase and cost of living payment, staff appointments and movements and an increase in leave liability during the year.
- 3) The variance to supplies and services is due to a higher use of consultants and labour hire during the year than had originally been estimated.
- 4) The estimate is a standard yearly estimate which is no longer reflective of current expenditure and will be revised.
- 6) 2022/23 is the first year the OIC entered into a service delivery agreement with the Commonwealth to provide services to the Indian Ocean Territories. Also includes contributions for paid parental leave during the year.
- 8) Resources received free of charge have reduced significantly and estimates will be reviewed.

**Major Actual (2023) and Comparative (2022) Variance Narratives for the Income Statement**

- 2) The variance in employee benefits is due to the 3% salary increase and cost of living payment, staff appointments and movements and an increase in leave liability during the year.
- 5) The increase in other expenses is primarily due to an increase in staff travel costs compared to the previous year. In particular: travel to the Indian Ocean Territories to discharge responsibilities under a service delivery arrangement that commenced on 1 July 2022; international travel to attend inter-jurisdictional events; and participation in a regional awareness program with other accountability agencies.
- 7) 2022/23 is the first year the OIC entered into a service delivery agreement with the Commonwealth to provide services to the Indian Ocean Territories. Also includes contributions for paid parental leave.
- 9) The resources received free of charge from the Department of Finance for leasing services reduced significantly from the previous year.

### 9.1.2 Statement of financial position variances

	Variance Note	Estimate 2023	Actual 2023	Actual 2022	Variance between estimate and actual	Variance between actual results for 2023 and 2022
<i>Assets</i>						
<u>Current Assets</u>						
Cash and cash equivalents	<a href="#">10, 11</a>	994,000	400,052	738,868	(593,948)	(338,816)
Receivables	<a href="#">12</a>	12,000	22,329	19,111	10,329	3,218
Other Current Assets	<a href="#">13</a>	16,000	21,332	8,099	5,332	13,233
<b>Total Current Assets</b>		<b>1,022,000</b>	<b>443,713</b>	<b>766,078</b>	<b>(578,287)</b>	<b>(322,365)</b>
<u>Non-Current Assets</u>						
Restricted cash and cash equivalents	<a href="#">14, 15</a>	25,000	38,493	31,807	13,493	6,686
Amounts receivable for services	<a href="#">16</a>	60,000	58,000	52,000	(2,000)	6,000
Property, Plant and Equipment	<a href="#">17</a>	29,000	3,424	5,134	(25,576)	(1,710)
<b>Total non-current assets</b>		<b>114,000</b>	<b>99,917</b>	<b>88,941</b>	<b>(14,083)</b>	<b>10,976</b>
<b>Total assets</b>		<b>1,136,000</b>	<b>543,630</b>	<b>855,019</b>	<b>(592,370)</b>	<b>(311,389)</b>
<i>Liabilities</i>						
<u>Current Liabilities</u>						
Payables	<a href="#">18, 19</a>	38,000	60,676	55,155	22,676	5,521
Provisions	<a href="#">20, 21</a>	372,000	417,760	377,167	45,760	40,593
<b>Total Current Liabilities</b>		<b>410,000</b>	<b>478,436</b>	<b>432,322</b>	<b>68,436</b>	<b>46,114</b>
<u>Non-Current Liabilities</u>						
Employee related provisions	<a href="#">22</a>	45,000	47,661	34,782	2,661	12,879
<b>Total Non-Current Liabilities</b>		<b>45,000</b>	<b>47,661</b>	<b>34,782</b>	<b>2,661</b>	<b>12,879</b>
<b>Total liabilities</b>		<b>455,000</b>	<b>526,097</b>	<b>467,104</b>	<b>71,097</b>	<b>58,993</b>
<b>Net assets/(liabilities)</b>		<b>681,000</b>	<b>17,533</b>	<b>387,915</b>	<b>(663,467)</b>	<b>(370,382)</b>
<u>Equity</u>						
Contributed equity		37,000	37,000	37,000	-	-
Accumulated surplus/(deficiency)		644,000	(19,467)	350,915	663,467	(370,382)
<b>Total equity</b>		<b>681,000</b>	<b>17,533</b>	<b>387,915</b>	<b>663,467</b>	<b>(370,382)</b>

**Major Estimate and Actual (2023) Variance Narratives for the Statement of Financial Position**

- 10) The variance in cash and cash equivalents from the original budgeted amount is the result of the increase in the total cost of services in the income statement for 2021/22 and 2022/23.
- 12) The variance in receivables is due to higher than expected GST received.
- 14) The variance in the restricted cash and cash equivalents is due to the yearly increase in funds held in the suspense account for the purpose of meeting the 27th pay in a reporting period that occurs every 11th year.
- 17) The variance in property, plant and equipment is due to expected capital purchases not made during the year.
- 18) The variance in payables is due to the higher than estimated amount of trade payables and salary accrual.
- 20) The variance in provisions is due to an increase in current leave liabilities.

**Major Actual (2023) and Comparative (2021) Variance Narratives for the Statement of Financial position**

- 11) The variance in cash and cash equivalents is the result of the increase in the total cost of services in the income statement for 2021/22 and 2022/23.
- 13) The variance in other assets is due to an increase in prepayments made in the current year. The prepayments made in the previous year were unusually low.
- 15) The variance in the restricted cash and cash equivalents is due to the yearly increase in funds held in the suspense account for the purpose of meeting the 27th pay in a reporting period that occurs every 11th year.
- 16) Amounts receivable for services is a non-cash service appropriation for asset replacement. The variance is due to asset replacement not carried out as expected during the year.
- 19) The variance in payables is due to the salary accrual increasing following the increase in salaries during the period and an additional two days of salary accrual than the previous period.
- 21) The variance in provisions is due to an increase in current leave liabilities.
- 22) The variance in employee provisions is due to an increase from the previous year in the number of employees, the average salary and the average days of long service leave accrued.

### 9.1.3 Statement of cash flow variances

	Variance Note	Estimate 2023	Actual 2023	Actual 2022	Variance between estimate and actual	Variance between actual results for 2023 and 2022
<b>Cash flows from State Government</b>						
Service appropriation		2,303,000	2,384,000	2,254,000	(81,000)	130,000
Capital appropriation		-	-	-	-	-
Holding account drawdowns		-	-	-	-	-
<b>Net cash provided by State Government</b>		<b>2,303,000</b>	<b>2,384,000</b>	<b>2,254,000</b>	<b>(81,000)</b>	<b>130,000</b>
<i>Cash flows from operating activities</i>						
<u>Payments</u>						
Employee benefits	<a href="#">23</a> , <a href="#">24</a>	(1,645,000)	(1,899,562)	(1,719,660)	254,562	(179,902)
Services and supplies	<a href="#">25</a>	(351,000)	(556,904)	(515,289)	205,904	(41,615)
Accommodation		(228,000)	(201,222)	(201,222)	(26,778)	(0)
GST payments on purchases	<a href="#">26</a>	(30,000)	(87,818)	(80,374)	57,818	(7,444)
Other payments	<a href="#">27</a>	(109,000)	(134,362)	(98,128)	25,362	(36,234)
<u>Receipts</u>						
Commonwealth grants and contributions	<a href="#">28</a> , <a href="#">29</a>	-	78,243	-	(78,243)	78,243
GST receipts on sales		-	191	45	(191)	146
GST receipts from taxation authority	<a href="#">30</a>	48,000	85,303	73,722	(37,303)	11,581
Other revenue		4,000	1	450	3,999	(449)
<b>Net cash provided by/(used in) operating activities</b>		<b>(2,311,000)</b>	<b>(2,716,130)</b>	<b>(2,540,456)</b>	<b>405,130</b>	<b>(175,674)</b>
<i>Cash flows from investing activities</i>						
<b>Net cash provided by/(used in) investing activities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>Cash flows from financing activities</i>						
<b>Net cash provided by/(used in) financing activities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net increase/(decrease) in cash and cash equivalents		(8,000)	(332,130)	(286,456)	324,130	(45,674)
Cash and cash equivalents at the beginning of the period		1,027,000	770,675	1,057,131	256,325	(286,456)
<b>Cash and cash equivalents at the end of the period</b>		<b>1,019,000</b>	<b>438,545</b>	<b>770,675</b>	<b>580,455</b>	<b>(332,130)</b>

**Major Estimate and Actual (2023) Variance Narratives for the Cashflow Statement**

- 23) The variance in employee benefits is due to the 3% salary increase and cost of living payment, and staff appointments and movements.
- 25) The variance to services and supplies is due to the greater use of consultants and labour hire during the year than had originally been estimated.
- 26) The variance in GST payments is a result of the increase in payables during the year.
- 28) 2022/23 is the first year the OIC entered into a service delivery agreement with the Commonwealth to provide services to the Indian Ocean Territories. Also includes contributions for paid parental leave.
- 30) The variance in GST receipts from the ATO is a result of the increase in expenditure during the year.

**Major Actual (2023) and Comparative (2022) Variance Narratives for the Cashflow Statement**

- 24) The variance in employee benefits is due to the 3% salary increase and cost of living payment, and staff appointments and movements.
- 27) The increase in other payments is primarily due to an increase in staff travel costs compared to the previous year. In particular: travel to the Indian Ocean Territories to discharge responsibilities under a service delivery arrangement that commenced on 1 July 2022; international travel to attend inter-jurisdictional events; and participation in a regional awareness program with other accountability agencies.
- 29) 2022/23 is the first year the OIC entered into a service delivery agreement with the Commonwealth to provide services to the Indian Ocean Territories. Also includes contributions for paid parental leave.