WESTERN AUSTRALIA

Office of the **Information Commissioner**

ANNUAL REPORT

2011/2012

Office of the Information Commissioner - 30 June 2012

Disclosures and Legal Compliance

Financial Statements

Certification of Financial Statements

For the year ended 30 June 2012

The accompanying financial statements for 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 financial year ended 30 June 2012 and the financial position as at 30 June 2012.

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

M Fitzgerald

Michelle Fitzgerald
Chief Finance Officer
Date: 12/9/12

Sven Bluemmel
Information Commissioner
Date: 12/9/12

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Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

OFFICE OF THE INFORMATION COMMISSIONER

Report on the Financial Statements
I have audited the accounts and financial statements of the Office of the Information Commissioner.

The financial statements comprise the Statement of Financial Position as at 30 June 2012, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows, Schedule of Income and Expenses by Service, Schedule of Assets and Liabilities by Service, and Summary of Consolidated Account Appropriations and Income Estimates for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

Information Commissioner's Responsibility for the Financial Statements
The Information Commissioner is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the Treasurer's Instructions, and for such internal control as the Information Commissioner determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements based on my audit. The audit was conducted in accordance with Australian Auditing Standards. Those Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Information Commissioner's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Information Commissioner, as well as evaluating the overall presentation of the financial statements.

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

Opinion
In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the financial position of the Office of the Information Commissioner at 30 June 2012 and its financial performance and cash flows for the year then ended. They are in accordance with Australian Accounting Standards and the Treasurer's Instructions.

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7th Floor Albert Facey House 469 Wellington Street Perth MAIL TO: Perth BC PO Box 8489 Perth WA 6849 TEL: 08 6557 7500 FAX: 08 6557 7600

Report on Controls
I have audited the controls exercised by the Office of the Information Commissioner during the year ended 30 June 2012.

Controls exercised by the Office of the Information Commissioner are those policies and procedures established by the Information Commissioner 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 legislative provisions.

Information Commissioner's Responsibility for Controls
The Information Commissioner is responsible for maintaining an adequate system of internal control to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of public and other property, and the incurring of liabilities are in accordance with the Financial Management Act 2006 and the Treasurer's Instructions, and other relevant written law.

Auditor's Responsibility
As required by the Auditor General Act 2006, my responsibility is to express an opinion on the controls exercised by the Office of the Information Commissioner based on my audit conducted in accordance with Australian Auditing and Assurance Standards.

An audit involves performing procedures to obtain audit evidence about the adequacy of controls to ensure that the Information Commissioner complies with the legislative provisions. The procedures selected depend on the auditor's judgement and include an evaluation of the design and implementation of relevant controls.

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

Opinion
In my opinion, 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 legislative provisions during the year ended 30 June 2012.

Report on the Key Performance Indicators
I have audited the key performance indicators of the Office of the Information Commissioner for the year ended 30 June 2012.

The key performance indicators are the key effectiveness indicators and the key efficiency indicators that provide information on outcome achievement and service provision.

Information Commissioner's Responsibility 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 controls as the Information Commissioner determines necessary to ensure that the key performance indicators fairly represent indicated performance.

Auditor's Responsibility
As required by the Auditor General Act 2006, my responsibility is to express an opinion on the key performance indicators based on my audit conducted in accordance with Australian Auditing and Assurance Standards.

An audit involves performing procedures to obtain audit evidence about the key performance indicators. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments the auditor considers internal control relevant to the Information Commissioner's preparation and fair presentation of the key performance indicators in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the relevance and appropriateness of the key performance indicators for measuring the extent of outcome achievement and service provision.

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

Opinion
In my opinion, the key performance indicators of the Office of the Information Commissioner are relevant and appropriate to assist users to assess the Information Commissioner's performance and fairly represent indicated performance for the year ended 30 June 2012.

Independence
In conducting this audit, I have complied with the independence requirements of the Auditor General Act 2006 and Australian Auditing and Assurance Standards, and other relevant ethical requirements.

Matters Relating to the Electronic Publication of the Audited Financial Statements and Key Performance Indicators
This 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 2012 included on the Information Commissioner's website. The Information Commissioner's management is responsible for the integrity of the Information Commissioner's website. This audit does not provide assurance on the integrity of the Information Commissioner's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. 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 refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.

COLIN MURPHY
AUDITOR GENERAL
FOR WESTERN AUSTRALIA
Perth, Western Australia
17 September 2012

Statement of Comprehensive Income for the year ended 30 June 2012

	Note	2012 $	2011 $
COST OF SERVICES			
Expenses			
Employee benefits expense	6.	1,334,504	1,270,654
Supplies and services	7.	285,231	174,789
Depreciation expense	8.	7,319	7,850
Accommodation expenses	9.	243,702	234,002
Loss on disposal of non-current assets	12.	-	18
Other expenses	10.	96,174	85,162
Total cost of services		**1,966,930**	**1,772,475**
Income			
Revenue			
Other Revenue	11.	5,915	1,963
Total Revenue		5,915	1,963
Total income other than income from State Government		5,915	1,963
NET COST OF SERVICES		**1,961,015**	**1,770,512**
Income from State Government			
Service Appropriation	13.	1,968,000	1,582,000
Resources received free of charge	13.	46,497	6,295
Total income from State Government		2,014,497	1,588,295
SURPLUS/(DEFICIT) FOR THE PERIOD		53,482	(182,217)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		53,482	(182,217)

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 as at 30 June 2012

	Note	2012 $	2011 $
ASSETS			
Current Assets			
Cash and cash equivalents	22.	180,618	88,206
Receivables	15.	36,474	14,188
Other current assets	17.	5,864	7,032
Total Current Assets		222,956	109,426
Non-Current Assets			
Restricted cash and cash equivalents	14. 22.	26,512	22,254
Amounts receivable for services	16.	30,000	30,000
Plant and equipment	18.	16,929	11,558
Total Non-Current Assets		73,441	63,812
TOTAL ASSETS		296,397	173,238
LIABILITIES			
Current Liabilities			
Payables	19.	137,199	56,501
Provisions	20.	143,545	168,961
Total Current Liabilities		280,744	225,462
Non-Current Liabilities			
Provisions	20.	71,332	56,937
Total Non-Current Liabilities		71,332	56,937
TOTAL LIABILITIES		352,076	282,399
NET LIABILITIES		(55,679)	(109,161)
EQUITY			
Contributed Equity	21.	37,000	37,000
Accumulated surplus/(deficiency)	21.	(92,679)	(146,161)
TOTAL EQUITY		(55,679)	(109,161)

See also the 'Schedule of Assets and Liabilities by Service'. The Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity for the year ended 30 June 2012

	Note	Contributed Equity $	Reserves $	Accumulated surplus/(deficit) $	Total Equity $
Balance at 1 July 2010	21.	37,000	-	36,056	73,056
Changes in accounting policy or correction of prior period errors		-	-	-	-
Restated balance at 1 July 2010		37,000	-	36,056	73,056
Surplus/(deficit)		-	-	(182,217)	(182,217)
Other comprehensive income		-	-	-	-
Total Comprehensive Income for the period		-	-	(182,217)	(182,217)
Transactions with owners in their capacity as owners:					
Capital appropriations		-	-	-	-
Total		-	-	-	-
Balance at 30 June 2011		37,000	-	(146,161)	(109,161)
Balance at 1 July 2011		37,000	-	(146,161)	(109,161)
Surplus/(deficit)		-	-	53,482	53,482
Other comprehensive income		-	-	-	-
Total comprehensive income for the period		-	-	53,482	53,482
Transactions with owners in their capacity as owners:					
Capital appropriations		-	-	-	-
Total		-	-	-	-
Balance at 30 June 2012		37,000	-	(92,679)	(55,679)

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

Statement of Cash Flows for the year ended 30 June 2012

	Note	2012 $	2011 $
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriations		1,968,000	1,582,000
Net cash provided by State Government		1,968,000	1,582,000
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(1,289,033)	(1,265,282)
Supplies and services		(559,381)	(501,501)
GST payments on purchases		(66,193)	(60,368)
Receipts			
Receipts from service		1,041	4,816
GST receipts on sales		26	147
GST receipts from taxation authority		54,900	63,259
Net cash provided by/(used in) operating activities	22.	(1,858,640)	(1,758,929)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments			
Purchase of non-current physical assets		(12,690)	-
Net cash provided by/(used in) investing activities		(12,690)	-
Net increase/(decrease) in cash and cash equivalents		96,670	(176,929)
Cash and cash equivalents at the beginning of the period		110,460	287,389
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	22.	207,130	110,460

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

Schedule of Income and Expenses By Service for the year ended 30 June 2012

	Resolution of complaints		Advice and Awareness		Total	
	2012	2011	2012	2011	2012	2011
	$	$	$	$	$	$
COST OF SERVICES						
Expenses						
Employee benefit expense	907,463	864,045	427,041	406,609	1,334,504	1,270,654
Supplies and services	193,957	118,857	91,274	55,932	285,231	174,789
Depreciation and amortisation expense	4,977	5,338	2,342	2,512	7,319	7,850
Accommodation expenses	165,717	159,121	77,985	74,881	243,702	234,002
Loss on disposal of non-current assets	-	12	-	6	-	18
Other expenses	65,398	57,910	30,776	27,252	96,174	85,162
Total cost of services	1,337,512	1,205,283	629,418	567,192	1,966,930	1,772,475
Income						
Other revenue	5,915	1,963	-	-	5,915	1,963
Total income other than income from State Government	5,915	1,963	-	-	5,915	1,963
NET COST OF SERVICES	1,331,597	1,203,320	629,418	567,192	1,961,015	1,770,512
Income from State Government						
Service appropriation	1,338,240	1,075,760	629,760	506,240	1,968,000	1,582,000
Resources received free of charge	31,618	4,281	14,879	2,014	46,497	6,295
Total income from State Government	1,369,858	1,080,041	644,639	508,254	2,014,497	1,588,295
SURPLUS/DEFICIT FOR THE PERIOD	38,261	(123,279)	15,221	(58,938)	53,482	(182,217)

The Schedule of Income and Expenses by Service should be read in conjunction with the accompanying notes.

Schedule of Assets and Liabilities by Service as at 30 June 2012

	Resolution of complaints		Advice and Awareness		Total	
	2012	2011	2012	2011	2012	2011
	$	$	$	$	$	$
Assets						
Current assets	151,610	74,410	71,346	35,016	222,956	109,426
Non-current assets	49,940	43,392	23,501	20,420	73,441	63,812
Total assets	201,550	117,802	94,847	55,436	296,397	173,238
Liabilities						
Current liabilities	190,906	153,314	89,838	72,148	280,744	225,462
Non-current liabilities	48,506	38,717	22,826	18,220	71,332	56,937
Total liabilities	239,412	192,031	112,664	90,368	352,076	282,399
NET LIABILITIES	(37,862)	(74,229)	(17,817)	(34,932)	(55,679)	(109,161)

The Schedule of Assets and Liabilities by Service should be read in conjunction with the accompanying notes.

Summary of Consolidated Account Appropriations and Income Estimates for the year ended 30 June 2012

	2012 Estimate $	2012 Actual $	Variance $	2012 Actual $	2011 Actual $	Variance $
Delivery of Services						
Item 56 Net amount appropriated to deliver services	1,729,000	1,729,000	-	1,729,000	1,362,000	367,000
Amount Authorised by Other Statutes						
- *Freedom of Information Act 1992*	239,000	239,000	-	239,000	220,000	19,000
Total appropriations provided to deliver services	**1,968,000**	**1,968,000**	**-**	**1,968,000**	**1,582,000**	**386,000**
Capital						
Capital appropriations	-	-	-	-	-	-
GRAND TOTAL	**1,968,000**	**1,968,000**	**-**	**1,968,000**	**1,582,000**	**386,000**
Details of Expenses by Service						
Resolution of Complaints	1,375,000	1,337,512	(37,488)	1,337,512	1,205,283	132,229
Advice and Awareness	589,000	629,418	40,418	629,418	567,192	62,226
Total Cost of Services	1,964,000	1,966,930	2,930	1,966,930	1,772,475	194,455
Less Total Income	(4,000)	(5,915)	(1,915)	(5,915)	(1,963)	(3,952)
Net Cost of Services	1,960,000	1,961,015	1,015	1,961,015	1,770,512	190,503
Adjustment	8,000	6,985	(1,015)	6,985	(188,512)	195,497
Total appropriations provided to deliver services	**1,968,000**	**1,968,000**	**-**	**1,968,000**	**1,582,000**	**386,000**
Capital Expenditure						
Purchase of non-current physical assets	-	12,690	12,690	12,690	-	12,690
Adjustments for other funding sources	-	(12,690)	(12,690)	(12,690)	-	(12,690)
Capital appropriations	**-**	**-**	**-**	**-**	**-**	**-**

Adjustments comprise movements in cash balances and other accrual items such as receivables, payables and superannuation.
Note 27 *'Explanatory statement'* provides details of any significant variations between estimates and actual results for 2012 and between the actual results for 2012 and 2011.

Office of the Information Commissioner

Notes to the financial statements

For the year ended 30 June 2012

Note 1. Australian Accounting Standards

General

The Office of the Information Commissioner's (the "Commission" for the purpose of these notes) financial statements for the year ended 30 June 2012 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' includes Standards and Interpretations issued by the Australian Accounting Standard Board (AASB).

The Commission has adopted any applicable new and revised Australian Accounting Standards from their operative dates.

Early adoption of standards

The Commission cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 Application of Australian Accounting Standards and Other Pronouncements. There has been no early adoption of Australian Accounting Standards that have been issued or amended (but not operative) by the Commission for the annual reporting period ended 30 June 2012.

Note 2. Summary of significant accounting policies

(a) General statement

The Commission is a not-for-profit reporting entity that prepares general purpose financial statements in accordance with Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB as applied by the Treasurer's instructions. Several of these are modified by the Treasurer's instructions to vary application, disclosure, format and wording.

The *Financial Management Act* and the Treasurer's instructions impose legislative provisions that govern the preparation of financial statements and take precedence over Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB.

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.

(b) Basis of preparation

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention.

The accounting policies adopted in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.

The financial statements are presented in Australian dollars and all values are rounded to the nearest dollar.

Note 3 'Judgements made by management in applying accounting policies' discloses judgements that have been made in the process of applying the Commission's accounting policies resulting in the most significant effect on amounts recognised in the financial statements.

Note 4 ‘Key sources of estimation uncertainty’ discloses key assumptions made concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(c) Reporting entity

The reporting entity comprises the Commission.

Mission

The Commission’s mission is to promote public understanding and confidence in the decision making process of government agencies through access to relevant information. The Commission is predominantly funded by Parliamentary appropriations. It does not provide services on a fee-for-service basis. The financial statements encompass all funds through which the Commission controls resources to carry on its functions.

Services

The Commission provides the following services:

Service 1: Resolution of complaints

Provides an independent review and complaint resolution process.

Service 2: Advice and Awareness

Provides objective advice, information and training to members of the public and agencies to assist in the proper lodgement and processing of applications under the *Freedom of Information Act 1992*.

(d) Contributed equity

AASB Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, to be designated by the Government (the owner) as contributions by owners (at the time of, or prior to transfer) before such transfers can be recognised as equity contributions. Capital appropriations have been designated as contributions by owners by TI 955 *Contributions by Owners made to Wholly Owned Public Sector Entities* and have been credited directly to Contributed equity.

The transfer of net assets to/from other agencies, other than as a result of a restructure of administrative arrangements, are designated as contributions by owners where the transfers are non-discretionary and non-reciprocal.

(e) Income

Revenue recognition

Revenue is recognised and measured at the fair value of consideration received or receivable. Revenue is recognised for the major business activities as follows:

Sale of goods

Revenue is recognised from the sale of goods and disposal of other assets when the significant risks and rewards of ownership transfer to the purchaser and can be measured reliably.

Provision of services

Revenue is recognised by reference to the stage of completion of the transaction.

Service appropriations

Service Appropriations are recognised as revenues at fair value in the period in which the Commission gains control of the appropriated funds. The Commission gains control of appropriated funds at the time those funds are deposited to the bank account or credited to the ‘Amounts receivable for services' (holding account) held at Treasury.

Net Appropriation Determination

The Treasurer may make a determination providing for prescribed receipts to be retained for services under the control of the Commission. In accordance with the determination specified in the 2011-2012 Budget Statements, the Commission retained $5,915 in 2012 ($1,963 in 2011) from the following:

- other receipts.

Grants, donations, gifts and other non-reciprocal contributions

Revenue is recognised at fair value when the Commission obtains control over the assets comprising the contributions, usually when cash is received. Other non-reciprocal contributions that are not contributions by owners are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

<u>Gains</u>

Realised or unrealised gains are usually recognised on a net basis. These include gains arising on the disposal of non-current assets.

(f) Plant and equipment

<u>Capitalisation/expensing of assets</u>

Items of plant and equipment costing $5,000 or more are recognised as assets and the cost of utilising assets is expensed (depreciated) over their useful lives. Items of plant and equipment costing less than $5,000 are immediately expensed direct to the Statement of Comprehensive Income.

<u>Initial recognition and measurement</u>

Plant and equipment is initially recognised at cost.

For items of plant and equipment acquired at no cost or for nominal cost, the cost is the fair value at the date of acquisition.

<u>Subsequent measurement</u>

Subsequent to initial recognition as an asset, historical cost model is used for the measurement of plant and equipment. Items of plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. The Commission does not hold any land, buildings or infrastructure assets.

<u>Derecognition</u>

Upon disposal or derecognition of an item of plant and equipment, any revaluation surplus relating to that asset is retained in the asset revaluation surplus.

<u>Depreciation</u>

All non-current assets 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.

Depreciation is calculated using the straight line method, using rates which are reviewed annually. Estimated useful lives for each class of depreciable asset are:

Office equipment: 5 years

Computer: 2 years

(g) Impairment of assets

Plant and equipment assets are tested for any indication of impairment at the end of each reporting period. 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. As the Commission is a not-for-profit entity, unless an asset has been identified as a surplus asset, the recoverable amount is the higher of an asset's fair value less costs to sell and depreciated replacement cost.

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life. Each relevant class of assets is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of the asset's future economic benefits and to evaluate any impairment risk from falling replacement costs.

The recoverable amount of assets identified as surplus assets is the higher of fair value less costs to sell and the present value of future cash flows expected to be derived from the asset. Surplus assets carried at fair value have no risk of material impairment where fair value is determined by reference to market-based evidence. Where fair value is determined by reference to depreciated replacement cost, surplus assets are at risk of impairment and the recoverable amount is measured. Surplus assets at cost are tested for indications of impairment at the end of each reporting period.

(h) Leases

The Commission holds operating leases for buildings and motor vehicles. Operating leases are expensed on a straight line basis over the lease term as this represents the pattern of benefits derived from the leased property and motor vehicles.

(i) Financial instruments

In addition to cash, the Commission has two categories of financial instrument:

- Loans and receivables; and
- Financial liabilities measured at amortised cost.

Financial instruments have been disaggregated into the following classes:

- Financial Assets
  - Cash and cash equivalents
  - Restricted cash and cash equivalents
  - Receivables
  - Amounts receivable for services
- Financial Liabilities
  - Payables

Initial recognition and measurement of financial instruments is at fair value which normally equates to the transaction cost or the face value. Subsequent measurement is at amortised cost using the effective interest method.

The fair value of short-term receivables and payables is the transaction cost or the face value because there is no interest rate applicable and subsequent measurement is not required as the effect of discounting is not material.

(j) Cash and cash equivalents

For the purpose of the Statement of Cash Flows, cash and cash equivalent (and restricted 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.

(k) Accrued salaries

Accrued salaries represent the amount due to staff but unpaid at the end of the financial year. Accrued salaries are settled within a fortnight of the financial year end. The Commission considers the carrying amount of accrued salaries to be equivalent to its net fair value.

The accrued salaries suspense account consists of amounts paid annually into a suspense account over a period of 10 financial years to largely meet the additional cash outflow in each eleventh year when 27 pay days occur instead of the normal 26. No interest is received on this account.

(l) Amounts receivable for services (holding account)

The Commission receives funding on an accrual basis. The appropriations are paid partly in cash and partly as an asset (holding account receivable). The accrued amount receivable is accessible on the emergence of the cash funding requirement to cover leave entitlements and asset replacement.

(m) Receivables

Receivables are recognised at original invoice amount less an allowance for any uncollectible amounts (i.e. impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written-off against the allowance account. The allowance for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the Commission will not be able to collect the debts. The carrying amount is equivalent to fair value as it is due for settlement within 30 days.

(n) Payables

Payables are recognised at the amounts payable when the Commission 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 30 days.

(o) Provisions

Provisions are liabilities of uncertain timing or amount and are recognised where there is a present legal or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at the end of each reporting period.

Provisions - employee benefits

All annual leave and long service leave provisions are in respect of employees' services up to the end of the reporting period.

Annual leave

The liability for annual leave that is expected to be settled within 12 months after the end of the reporting period is recognised and measured at the undiscounted amounts expected to be paid when the liability is settled.

Annual leave that is not expected to be settled within 12 months after the end of the reporting period is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as the experience of employee departures and periods of service. The expected future payments are 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.

The provision for annual leave is classified as a current liability as the Commission does not have an unconditional right to defer settlement of the liability for at least 12 months after the end reporting period.

Long service leave

The liability for long service leave that is expected to be settled within 12 months after the end of the reporting period is recognised and measured at the undiscounted amounts expected to be paid when the liability is settled.

Long service leave that is not expected to be settled within 12 months after the end of the reporting period is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as the experience of employee departures and periods of service. The expected future payments are 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.

Unconditional long service leave provisions are classified as current liabilities as the Commission 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 Commission has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

Purchased leave

The provision for purchased leave relates to Public Service employees who have entered into an agreement to self-fund up to an additional 10 weeks leave per calendar year. The provision recognises the value of salary set aside for employees and is measured at the nominal amounts expected to be paid when the liabilities are settled. The liability is measured on the same basis as annual leave.

Superannuation

The Government Employees Superannuation Board (GESB) administers public sector superannuation arrangements in Western Australia in accordance with legislative requirements.

Eligible employees contribute to the Pension Scheme, a defined benefit pension scheme closed to new members since 1987, or the Gold State Superannuation Scheme (GSS), a defined benefit lump sum scheme closed to new members since 1995.

The GSS is a defined benefit scheme for the purposes of employees and whole-of-government reporting. However, it is a defined contribution plan for agency purposes because the concurrent contributions (defined contributions) made by the Commission to GESB extinguishes the Commission's obligations to the related superannuation liability.

The Commission has no liabilities under the Pension Scheme or the GSS. The liabilities for the unfunded Pension Scheme and the unfunded GSS transfer benefits attributable to members who transferred from the Pension Scheme, are assumed by the Treasurer. All other GSS obligations are funded by concurrent contributions made by the Commission to the GESB.

Employees commencing employment prior to 16 April 2007 who were not members of either the Pension or the GSS became non-contributory members of the West State Superannuation Scheme (WSS). Employees commencing employment on or after 16 April 2007 became members of the GESB Super Scheme (GESBS). Both of these schemes are accumulation schemes. The Commission makes concurrent contributions to GESB on behalf of employees in compliance with the Commonwealth *Government's Superannuation Guarantee (Administration) Act 1992*. These contributions extinguish the liability for superannuation charges in respect of the WSS and GESBS.

The GESB makes all benefit payments in respect of the Pension and GSS, and is recouped from the Treasurer for the employer's share.

Provisions – other

Employment on-costs

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 expenses' and are not included as part of the Commission's 'Employee benefits expense'. The related liability is included in 'Employment on-costs provision'.

(p) Superannuation expense

The superannuation expense in the Statement of Comprehensive Income comprises of employer contributions paid to the GSS (concurrent contributions), the WSS, and the GESBS. The employer contribution paid to the GESB in respect of the GSS is paid back into the Consolidated Account by the GESB.

(q) Resources received free of charge or for nominal cost

Resources received free of charge or for nominal cost that can be reliably measured are recognised as income at fair value. Where the resource received represents a service that the Commission would otherwise pay for, a corresponding expense is recognised. Receipts of assets are recognised in the Statement of Financial Position.

Assets or services received from other State Government agencies are separately disclosed under Income from State Government in the Statement of Comprehensive Income.

(r) Comparative figures

Comparative figures are, where appropriate, reclassified to be comparable with the figures presented in the current financial year.

Note 3. Judgements made by management in applying accounting policies

The preparation of financial statements requires management to make judgements about the application of accounting policies that have a significant effect on the amounts recognised in the financial statements. The Commission evaluates these judgements regularly.

Operating lease commitments

The Commission has entered into a commercial lease and has determined that the lessor retains substantially all the risks and rewards incidental to ownership.

Accordingly, this lease has been classified as an operating lease.

Note 4. Key sources of estimation uncertainty

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.

Long service leave

Several estimations and assumptions used in calculating the Commission's long service leave provision 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.

Note 5. Disclosure of changes in accounting policy and estimates

Initial application of an Australian Accounting Standard

The Commission has applied the following Australia Accounting Standards effective for annual reporting beginning on or after 1 July 2011 that impacted on the Commission.

AASB 1054	*Australian Additional Disclosures* This Standard, in conjunction with AASB 2011-1 *Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project*, removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards. There is no financial impact.
AASB 2009-12	*Amendments to Australian Accounting Standards [AASB 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Int 2, 4, 16, 1039 & 1052]* This Standard makes editorial amendments to a range of Australian Accounting Standards and Interpretations. There is no financial impact.

AASB 2010-4	*Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1, 7, 101 & 134 and Int 13]* The amendments to *AASB 7* clarify financial instrument disclosures in relation to credit risk. The carrying amount of financial assets that would otherwise be past due or impaired whose terms have been renegotiated is no longer required to be disclosed. There is no financial impact. The amendments to *AASB 101* clarify the presentation of the statement of changes in equity. The disaggregation of other comprehensive income reconciling the carrying amount at the beginning and the end of the period for each component of equity is no longer required. There is no financial impact.
AASB 2010-5	*Amendments to Australian Accounting Standards [AASB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Int 112, 115, 127, 132 & 1042]* This Standard makes editorial amendments to a range of Australian Accounting Standards and Interpretations. There is no financial impact.
AASB 2011-1	*Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project [AASB 1, 5, 101, 107, 108, 121, 128, 132 & 134 and Int 2, 112 & 113]* This Standard, in conjunction with AASB 1054, removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards. There is no financial impact.

Future impact of Australian Accounting Standards not yet operative

The Commission cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 *Application of Australian Accounting Standards and Other Pronouncements*. Consequently, the Commission has not applied early any following Australian Accounting Standards that have been issued that may impact the Commission. Where applicable, the Commission plans to apply these Australian Standards from their application date:

		Operative for reporting periods beginning on/after
AASB 9	*Financial Instruments* This Standard supersedes AASB 139 *Financial Instruments: Recognition and Measurement*, introducing a number of changes to accounting treatments. The Standard was reissued in December 2010. The Commission has not yet determined the application or the potential impact of the Standard.	1 Jan 2013
AASB 10	*Consolidated Financial Statements* This Standard supersedes requirements under AASB 127 *Consolidated and Separate Financial Statements* and Int 112 *Consolidation – Special Purpose Entities*, introducing a number of changes to accounting treatments. The Standard was issued in August 2011. The Commission has not yet determined the application or the potential impact of the Standard.	1 Jan 2013
AASB 11	*Joint Arrangements* This Standard supersedes AASB 131 *Interests in Joint Ventures*, introducing a number of changes to accounting treatments. The Standard was issued in August 2011. The Commission has not yet determined the application or the potential impact of the Standard.	1 Jan 2013
AASB 12	*Disclosure of Interests in Other Entities* This Standard supersedes disclosure requirements under AASB 127 *Consolidated and Separate Financial Statements and AASB 131 Interests in Joint Ventures*. The Standard was issued in August 2011. The Commission has not yet determined the application or the potential impact of the Standard	1 Jan 2013

AASB 13	*Fair Value Measurement* This Standard defines fair value, sets out a framework for measuring fair value and requires disclosures about fair value measurements. There is no financial impact.	1 Jan 2013
AASB 119	*Employee Benefits* This Standard supersedes AASB 119 *Employee Benefits*, introducing a number of changes to accounting treatments. The Standard was issued in September 2011. The Commission has not yet determined the application or the potential impact of the Standard.	1 Jan 2013
AASB 127	*Separate Financial Statements* This Standard supersedes requirements under AASB 127 *Consolidated and Separate Financial Statements*, introducing a number of changes to accounting treatments. The Standard was issued in August 2011. The Commission has not yet determined the application or the potential impact of the Standard	1 Jan 2013
AASB 128	*Investments in Associates and Joint Ventures* This Standard supersedes AASB 128 *Investments in Associates*, introducing a number of changes to accounting treatments. The Standard was issued in August 2011. The Commission has not yet determined the application or the potential impact of the Standard	1 Jan 2013
AASB 1053	*Application of Tiers of Australian Accounting Standards* This Standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements. There is no financial impact.	1 Jul 2013
AASB 2009-11	*Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Int 10 & 12]* [Modified by AASB 2010-7]	1 Jul 2013

AASB 2010-2	*Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050 & 1052 and Int 2, 4, 5, 15, 17, 127, 129 & 1052]* This Standard makes amendments to Australian Accounting Standards and Interpretations to introduce reduced disclosure requirements for certain types of entities. There is no financial impact.	1 Jul 2013
AASB 2010-7	*Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Int 2, 5, 10, 12, 19 & 127]* This Standard makes consequential amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 9 in December 2010. The Commission has not yet determined the application or the potential impact of the Standard.	1 Jan 2013
AASB 2011-2	*Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project – Reduced Disclosure Requirements [AASB 101 & 1054]* This Standard removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards for reduced disclosure reporting. There is no financial impact.	1 Jul 2013
AASB 2011-6	*Amendments to Australian Accounting Standards – Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation – Reduced Disclosure Requirements [AASB 127, 128 & 131]* This Standard extends the relief from consolidation, the equity method and proportionate consolidation by removing the requirement for the consolidated financial statements prepared by the ultimate or any intermediate parent entity to be IFRS compliant, provided that the parent entity, investor or venturer and the ultimate or intermediate parent entity comply with Australian Accounting Standards or Australian Accounting Standards – Reduced Disclosure Requirements. There is no financial impact.	1 Jul 2013
AASB 2011-7	*Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Int 5, 9, 16 & 17]*	1 Jan 2013

	This Standard gives effect to consequential changes arising from the issuance of AASB 10, AASB 11, AASB 127 Separate Financial Statements and AASB 128 *Investments in Associates and Joint Ventures*. The Commission has not yet determined the application or the potential impact of the Standard.	
AASB 2011-8	*Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Int 2, 4, 12, 13, 14, 17, 19, 131 & 132]* This Standard replaces the existing definition and fair value guidance in other Australian Accounting Standards and Interpretations as the result of issuing AASB 13 in September 2011. There is no financial impact.	1 Jan 2013
AASB 2011-9	*Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049]* This Standard requires to group items presented in other comprehensive income on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). The Commission has not yet determined the application or the potential impact of the Standard.	1 Jul 2012
AASB 2011-10	*Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) [AASB 1, 8, 101, 124, 134, 1049 & 2011-8 and Int 14]* This Standard makes amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 119 Employee Benefits in September 2011. The Commission has not yet determined the application or the potential impact of the Standard.	1 Jan 2013
AASB 2011-11	*Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements* This Standard gives effect to Australian Accounting Standards – Reduced Disclosure Requirements for AASB 119 (September 2011). There is no financial impact.	1 Jan 2013

Notes to the Financial Statements for the year ended 30 June 2012

Note 6. Employee benefits expense

	2012	2011
	$	$
Wages and salaries[(a)]	1,219,326	1,149,839
Superannuation - defined contribution plans[(b)]	115,178	120,815
	1,334,504	**1,270,654**

(a) Includes the value of the fringe benefit to the employee plus the fringe benefit tax component, leave entitlements including superannuation contribution component.
(b) Defined contribution plans include West State, Gold State and GESB Super Scheme (contributions paid).

Employment on-costs expenses, such as workers' compensation insurance are included at note 10 *'Other Expenses'*
The employment on-costs liability is included in note 20 *'Provisions'*.

Note 7. Supplies and Services

	2012	2011
	$	$
Goods and supplies	67,565	34,489
Services and contracts	217,666	140,300
	285,231	**174,789**

Note 8. Depreciation and amortisation expense

	2012	2011
	$	$
Depreciation		
Equipment	7,319	7,850
Total depreciation	**7,319**	**7,850**

Note 9. Accommodation expenses

	2012 $	2011 $
Building rental operating lease expense	243,702	234,002
	243,702	**234,002**

Note 10. Other expenses

	2012 $	2011 $
Communication expenses	11,897	12,724
Printing and binding	3,296	714
Equipment and vehicles operating lease expense	4,289	5,193
Electricity	5,008	4,098
Insurance	9,159	5,978
Repairs and Maintenance	1,278	1,818
Other expenses [a]	61,247	54,637
	96,174	**85,162**

(a) Includes workers compensation insurance; other employment on-costs; Auditor fees and other costs.

Note 11. Other revenue

	2012 $	2011 $
Other revenue	5,915	1,963
	5,915	**1,963**

Note 12. Net gain/(loss) on disposal of non-current assets

	2012 $	2011 $
Costs of disposal of non-current assets		
Plant and equipment	-	(18)
Net gain/(loss)	**-**	**(18)**

Note 13. Income from State Government

	2012 $	2011 $
Appropriation received during the period:		
Service appropriation[(a)]	1,968,000	1,582,000
	1,968,000	**1,582,000**
Resources received free of charge [(b)]		
Determined on the basis of the following estimates provided by agencies:		
Department of Finance- Building and Management Works	46,497	6,295
	46,497	6,295
	2,014,497	**1,588,295**

(a) Service appropriations fund the net cost of services delivered. Appropriation revenue comprises a cash component and a receivable (asset). The receivable (holding account) comprises the depreciation expense for the year and any agreed increase in leave liability during the year.

(b) Assets or services received free of charge or for nominal cost are recognised as revenue at fair value of the assets and/or services that can be reliably measured and which would have been purchased if they were not donated. Contributions of assets or services in the nature of contributions by owners are recognised direct to equity.

Note 14. Restricted cash and cash equivalents

	2012 $	2011 $
Non-current		
Accrued salaries suspense account [(a)]	26,512	22,254
	26,512	**22,254**

(a) Funds held in the suspense account used only for the purpose of meeting the 27th pay in a financial year that occurs every 11 years.

Note 15. Receivables

	2012 $	2011 $
Current		
Receivables	4,874	-
GST receivable	31,600	14,188
Total current	**36,474**	**14,188**

Total receivables	**36,474**	**14,188**

Note 16. Amounts receivable for services (Holding Account)

	2012 $	2011 $
Current	-	-
Non-Current	30,000	30,000
	30,000	**30,000**

Represents 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.

Note 17. Other Assets

	2012 $	2011 $
Current		
Prepayments	5,864	7,032
Total current	5,864	**7,032**

Note 18. Plant and Equipment

	2012 $	2011 $
Office equipment and computers		
At cost	86,739	74,048
Accumulated depreciation	(69,810)	(62,490)
	16,929	**11,558**

Reconciliation

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

	2012 $	2011 $
Carrying amount at start of period	11,558	19,408
Additions	12,690	-
Depreciation	(7,319)	(7,850)
Carrying amount at end of period	**16,929**	**11,558**

Note 19. Payables

	2012 $	2011 $
Current		
Trade payables	107,815	25,220
Accrued Salaries	29,384	31,281
Total current	**137,199**	**56,501**

Note 20. Provisions

	2012 $	2011 $
Current		
Employee benefits provision		
Annual leave[(a)]	62,758	45,668
Long service leave[(b)]	80,128	122,510
	142,886	**168,178**
Other provisions:		
Employment on-costs[(c)]	659	783
	143,545	**168,961**
Non-current		
Employee benefits provision		
Long service leave[(b)]	71,014	56,680
	71,014	56,680
Other provisions:		
Employment on-costs[(c)]	318	257
	318	257
	71,332	**56,937**

(a) Annual leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

	2012 $	2011 $
Within 12 months of the end of the reporting period	56,880	45,241
More than 12 months after the end of reporting period	5,878	427
	62,758	**45,668**

(b) Long service leave liabilities have been classified as current where there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

	2012 $	2011 $
Within 12 months of the end of the reporting period	23,735	47,333
More than 12 months after the end of reporting period	127,407	131,857
	151,142	**179,190**

(c) 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. The associated expense is disclosed in Note 10 *'Other expenses'*.

Movements in other provisions

Movements in each class of provisions during the financial year, other than employee benefits, are set out below.

	2012 $	2011 $
Employment on-cost provision		
Carrying amount at start of period	1,040	1,088
Additional provisions recognised	(63)	(48)
Carrying amount at end of period	**977**	**1,040**

Note 21. Equity

The Government holds the equity interest in the Commission on behalf of the community. Equity represents the residual interest in the net assets of the Commission. The asset revaluation surplus represents that portion of equity resulting from the revaluation of non-current assets.

Contributed equity

	2012	2011
	$	$
Balance at the start of period	37,000	37,000
Contribution by owners		
Capital contributions	-	-
Total contributions by owners	-	-
Balance At End Of Period	**37,000**	**37,000**

Accumulated surplus/(deficit)

	2012	2011
	$	$
Balance at the start of the period	(146,161)	36,056
Result for the period	53,482	(182,217)
Balance at end of the period	**(92,679)**	**(146,161)**
Total Equity at end of period	**(55,679)**	**(109,161)**

Note 22. Notes to the Cash Flow Statement

Reconciliation of cash

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	2012	2011
	$	$
Cash and cash equivalents	180,618	88,206
Restricted cash and cash equivalents (refer to Note 14 *'Restricted cash and cash equivalents'*)	26,512	22,254
	207,130	**110,460**

Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities

	2012 $	2011 $
Net cost of services	(1,961,015)	(1,770,512)
Non-cash items:		
Depreciation and amortisation expense (Note 8 *'Depreciation and amortisation expense'*)	7,319	7,850
Resources received free of charge (Note 13 *' Income from State Government'*)	46,497	6,295
(Increase)/decrease in assets:		
Current receivables[(a)]	(4,874)	2,853
Other current assets	1,168	14
Increase/(decrease) in liabilities:		
Current payables	80,698	2,914
Current provisions	(25,416)	(15,527)
Non-current provisions	14,395	5,499
Net GST receipts/(payments)[(b)]	(11,267)	3,038
Change in GST in receivables/payables[(c)]	(6,145)	(1,353)
Net cash provided by/(used in) operating activities	**(1,858,640)**	**(1,758,929)**

(a) Note that the Australian Taxation Office (ATO) receivable/payable in respect of GST and the receivable/payable in respect of the sale/purchase of non-current assets are not included in these items as they do not form part of the reconciling items.
(b) This is the net GST paid/received, i.e. cash transactions.
(c) This reverses out the GST in receivables and payables.

Note 23. Resources provided free of charge

The Commission did not provide any resources to other agencies free of charge.

Note 24. Commitments

The commitments below are inclusive of GST where relevant.

Non cancellable operating lease commitments

	2012	2011
	$	$
Commitments for minimum lease payments are payable as follows:		
Within 1 year	286,814	221,426
Later than 1 year and not later than 5 years	583,666	13,666
	870,480	**235,092**

The non cancellable operating leases represent the Commission's property lease. The property lease is a non-cancellable lease with a term expiring July 2015. Rent, outgoings and car parking rental are payable monthly. Contingent rent provisions within the lease agreement allow for the minimum lease payments to be reviewed and increased in line with movements in market rents.

Note 25. Contingent liabilities and contingent assets

There are no contingent liabilities and contingent assets for the financial year 2011-2012.

Note 26. Event occurring after the balance sheet date

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

Note 27. Explanatory Statement

Significant variations between estimates and actual results for income and expenses as presented in the financial statement 'Summary of Consolidated Account Appropriations and Income Estimates' are shown below: Significant variations are considered to be those greater than 10% or $150,000.

Total appropriation to deliver services for the year

Significant variances between actuals results for 2012 and 2011

	2012	2011	Variance
	$	$	$
Net amount appropriated to deliver services	1,729,000	1,362,000	367,000

A funding increase of $300,000 was approved for 2011-2012 to allow an increase in the Commission's FTE ceiling and create two additional positions.

Significant variances between actuals results for 2012 and 2011

	2012 $	2011 $	Variance $
Total Income	5,915	1,963	3,952

Revenue can be solely attributed to expenditure recoups.

Significant variances between actuals results for 2012 and 2011

	2012 $	2011 $	Variance $
Complaint Resolution	1,337,512	1,205,283	132,229
Advice & Awareness	629,418	567,192	62,226

A funding increase of $300,000 was approved for 2011-2012 to allow an increase in the Commission's FTE ceiling and create two additional positions.

Note 28. Financial Instruments

(a) Financial Risk Management Objectives and Policies

Financial Instruments held by the Commission are cash and cash equivalents, restricted cash and cash equivalents, and receivables and payables. The Commission has limited exposure to financial risks. The Commission's overall risk management program focuses on managing the risks identified below.

Credit risk

Credit risk arises when there is the possibility of the Commission's receivables defaulting on their contractual obligations resulting in financial loss to the Commission.

The maximum exposure to the credit risk at the end of the reporting period in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any allowance for impairment, as shown in the table at Note 28(c) *'Financial instruments disclosures'* and Note 15 *'Receivables'.*

Credit risk associated with the Commission's financial assets is minimal because the main receivable is the amounts receivable for services (Holding Account). For receivables other than government, the Commission trades only with recognised, creditworthy third parties. The Commission has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. In addition, receivable balances are monitored on a ongoing basis with the result that the Commission's exposure to bad debts is minimal. At the end of the reporting period there were no significant concentrations of credit risk.

Liquidity risk

Liquidity risk arises when the Commission is unable to meet its financial obligations as they fall due.

The Commission is exposed to liquidity risk through its trading in the normal course of business.

The Commission has appropriate procedures to manage cash flows including drawdowns of appropriations by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Commission's income or value of its holdings of financial instruments. The Commission does not trade in foreign currency and is not materially exposed to other price risks.

The Commission is not exposed to interest rate risk because all other cash and cash equivalents and restricted cash are non-interest bearing, and the Commission has no borrowings.

(b) Categories of Financial Instruments

In addition to cash, the carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are:

	2012 $	2011 $
Financial Assets		
Cash and cash equivalents	180,618	88,206
Restricted cash and cash equivalents	26,512	22,254
Loans and receivables [(a)]	34,874	30,000
Financial Liabilities		
Financial Liabilities measured at amortised cost	137,199	56,501

(a) The amount of loans and receivables excludes GST recoverable from the ATO (statutory receivable).

(c) Financial Instrument disclosures

Credit Risk

The following table details the Commission's maximum exposure to credit risk, and the ageing analysis of financial assets. The Commission's maximum exposure to credit risk at the end of the reporting period is the carrying amount of the financial assets as shown below. The table discloses the ageing of financial assets that are past due but not impaired and impaired in financial assets. The table is based on information provided to senior management of the Commission.

The Commission does not hold any collateral as security or other credit enhancements relating to the financial assets it holds.

Aged analysis of financial assets

			Past due but not impaired					
	Carrying Amount $	Not past due and not impaired $	Up to 1 month $	1-3 months $	3 months to 1 year $	1-5 years $	More than 5 years $	Impaired financial assets $
2012								
Cash and cash equivalents	180,618	180,618	-	-	-	-	-	-
Restricted cash and cash equivalent	26,512	26,512	-	-	-	-	-	-
Receivables[(a)]	4,874	4,874	-	-	-	-	-	-
Amounts receivable for services	30,000	30,000	-	-	-	-	-	-
	242,004	242,004	-	-	-	-	-	-
2011								
Cash and cash equivalents	88,206	88,206	-	-	-	-	-	-
Restricted cash and cash equivalent	22,254	22,254	-	-	-	-	-	-
Receivables[(a)]	-	-	-	-	-	-	-	-
Amounts receivable for services	30,000	30,000	-	-	-	-	-	-
	140,460	140,460	-	-	-	-	-	-

(a) The amount of receivables excludes the GST recoverable from the ATO (statutory receivable).

Liquidity Risk and interest rate exposure

The following table details the Commission's interest rate exposure and the contractual maturity analysis of financial assets and financial liabilities. The maturity analysis section includes interest and principal cash flows. The interest rate exposure section analyses only the carrying amounts of each item.

Interest rate exposure and maturity analysis of financial assets and financial liabilities

	Weighted average effective interest Rate %	Carrying Amount $	Interest rate exposure: Fixed interest rate $	Variable interest rate $	Non-interest bearing $	Total Nominal Amount $	Maturity Dates: Up to 1 month $	1-3 months $	3 months to 1 year $	1-5 years $	More than 5 years $
2012											
Financial Assets											
Cash and cash equivalents		180,618	-	-	180,618	180,618	180,618	-	-	-	-
Restricted cash and cash equivalent		26,512	-	-	26,512	26,512	-	-	-	26,512	-
Receivables[(a)]		4,874	-	-	4,874	4,874	4,874	-	-	-	-
Amounts receivable for services		30,000	-	-	30,000	30,000	-	-	-	-	30,000
		242,004	-	-	242,004	242,004	185,492	-	-	26,512	30,000
Financial Liabilities											
Payables		137,199	-	-	137,199	137,199	137,199	-	-	-	-
		137,199	-	-	137,199	137,199	137,199	-	-	-	-

(a) The amount of receivables excludes the GST recoverable from the ATO (statutory receivable).

Interest rate exposure and maturity analysis of financial assets and financial liabilities

	Weighted average effective interest Rate %	Carrying Amount $	Interest rate exposure Fixed interest rate $	Variable interest rate $	Non-interest bearing $	Total Nominal Amount $	Maturity Dates Up to 1 month $	1-3 months $	3 months to 1 year $	1-5 years $	More than 5 years $
2011			-	-							
Financial Assets			-	-							
Cash and cash equivalents		88,206	-	-	88,206	88,206	88,206	-	-	-	-
Restricted cash and cash equivalent		22,254	-	-	22,254	22,254	-	-	-	22,254	-
Receivables[(a)]		-	-	-	-	-	-	-	-	-	-
Amounts receivable for services		30,000	-	-	30,000	30,000		-	-	-	30,000
		140,460	-	-	140,460	140,460	88,206	-	-	22,254	30,000
Financial Liabilities											
Payables		56,501	-	-	56,501	56,501	56,501	-	-	-	-
		56,501	-	-	56,501	56,501	56,501	-	-	-	-

(a) The amount of receivables excludes the GST recoverable from the ATO (statutory receivable).

Note 29. Remuneration of senior officers

The number of senior officers whose total fees, salaries, superannuation, non-monetary benefits and other benefits for the financial year, fall within the following bands are:

	2012	2011
$		
240,001 - 250,000		1
250,001 - 260,000	1	
	$	**$**
The total remuneration of senior officers	254,449	242,597

The total remuneration includes the superannuation expense incurred by the Commission in respect of senior officers.

Note 30. Remuneration of Auditor

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

	2012	2011
	$	**$**
$		
Auditing the accounts, financial statements and key performance indicators	21,800	20,500
	21,800	20,500