Office of the **Information Commissioner**

WESTERN AUSTRALIA

ANNUAL REPORT

2012/2013

Disclosure and Legal Compliance

FINANCIAL STATEMENTS
Certification of Financial Statements
For the year ended 30 June 2013

The accompanying financial statements of the Office of the Information Commissioner ('the Commission') 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 ending 30 June 2013 and the financial position as at 30 June 2013.

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.

Sven Bluemmel
Information Commissioner
2 September 2013

Michelle Fitzgerald
Chief Financial Officer
2 September 2013

OAG AUDITED 26

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 2013, 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.

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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

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 2013 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.

Report on Controls
I have audited the controls exercised by the Office of the Information Commissioner during the year ended 30 June 2013.

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 2013.

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 2013.

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.

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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 2013.

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 2013 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.

C Murphy

COLIN MURPHY
AUDITOR GENERAL
FOR WESTERN AUSTRALIA
Perth, Western Australia
4 September 2013

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Statement of comprehensive income for the year ended 30 June 2013

	Note	2013 $	2012 $
COST OF SERVICES			
Expenses			
Employee benefits expense	6	1,615,118	1,334,504
Services and supplies	7	328,518	285,231
Depreciation expense	8	8,084	7,319
Accommodation expenses	9	262,330	243,702
Loss on disposal of non-current assets	12	-	-
Other expenses	10	117,454	96,174
Total cost of services		**2,331,504**	**1,966,930**
Income			
Revenue			
Other revenue	11	60,920	5,915
Total Revenue		**60,920**	**5,915**
Total income other than income from State Government		**60,920**	**5,915**
NET COST OF SERVICES		**2,270,584**	**1,961,015**
Income from State Government			
Service appropriation	13	2,062,000	1,968,000
Resources received free of charge		85,794	46,497
Total income from State Government		**2,147,794**	**2,014,497**
SURPLUS/(DEFICIT) FOR THE PERIOD		**(122,790)**	**53,482**
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**(122,790)**	**53,482**

See also the 'Schedule of Income and Expense by Service'

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

Statement of financial position as at 30 June 2013

	Note	2013 $	2012 $
ASSETS			
Current Assets			
Cash and cash equivalents	22	58,687	180,618
Receivables	15	24,484	36,474
Other Current Assets	17	4,121	5,864
Total Current Assets		**87,292**	**222,956**
Non-Current Assets			
Restricted cash and cash equivalents	14,22	38,126	26,512
Amounts receivable for services	16	36,000	30,000
Plant and Equipment	18	8,845	16,929
Total Non-Current Assets		**82,971**	**73,441**
TOTAL ASSETS		**170,263**	**296,397**
LIABILITIES			
Current Liabilities			
Payables	19	51,687	137,199
Provisions	20	233,258	143,545
Total Current Liabilities		**284,945**	**280,744**
Non-Current Liabilities			
Provisions	20	63,787	71,332
Total Non-Current Liabilities		**63,787**	**71,332**
TOTAL LIABILITIES		**348,732**	**352,076**
NET ASSETS/(LIABILITIES)		**(178,469)**	**(55,679)**
EQUITY			
Contributed equity	21	37,000	37,000
Accumulated surplus/(deficiency)	21	(215,469)	(92,679)
TOTAL EQUITY		**(178,469)**	**(55,679)**

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 cashflow for the year ended 30 June 2013

	Note	2013 $	2012 $
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation		2,056,000	1,968,000
Net cash provided by State Government		2,056,000	1,968,000
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(1,497,517)	(1,289,033)
Services and supplies		(712,731)	(559,381)
GST payments on purchases		(70,380)	(66,193)
Receipts			
Provision of services		-	1,041
GST receipts on sales		-	26
GST receipts from taxation authority		83,184	54,900
Other revenue		31,128	-
Net cash used in operating activities	22	(2,166,317)	(1,858,640)
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		(110,317)	96,670
Cash and cash equivalents at the beginning of the period		207,130	110,460
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	22	96,813	207,130

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

Statement of changes in equity for the year ended 30 June 2013

	Note	Contributed Equity $	Reserves $	Accumulated Surplus/ (deficit) $	Total Equity $
Balance at 1 July 2011	21	37,000	-	(146,161)	(109,161)
Changes in accounting policy or correction of prior period errors		-	-	-	-
Restated 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		37,000	-	(92,679)	(55,679)
Transactions with owners in their capacity as owners:					
Capital appropriations		-	-	-	-
Other contributions by owners		-	-	-	-
Distributions to owners		-	-	-	-
Total		37,000	-	(92,679)	(55,679)
Balance at 30 June 2012		37,000	-	(92,679)	(55,679)
Balance at 1 July 2012		37,000	-	(92,679)	(55,679)
Surplus/(Deficit)		-	-	(122,790)	(122,790)
Other Comprehensive Income		-	-	-	-
Total comprehensive income for the period		-	-	(122,790)	(122,790)
Transactions with owners in their capacity as owners:					
Capital appropriations		-	-	-	-
Other contributions by owners		-	-	-	-
Distributions to owners		-	-	-	-
Total		-	-	-	-
Balance at 30 June 2013		37,000	-	(215,469)	(178,469)

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

Schedule of income and expenses by service for the year ended 30 June 2013

	Resolution of Complaints		Advice and Awareness		Total	
	2013	2012	2013	2012	2013	2012
	$	$	$	$	$	$
COST OF SERVICES						
Expenses						
Employee benefits expense	1,098,280	907,463	516,838	427,041	1,615,118	1,334,504
Supplies and services	223,392	193,957	105,126	91,274	328,518	285,231
Depreciation expense	5,497	4,977	2,587	2,342	8,084	7,319
Accommodation expense	178,385	165,717	83,946	77,985	262,330	243,702
Loss on disposal of non-current assets	-	-	-	-	-	-
Other expenses	79,869	65,398	37,585	30,776	117,454	96,174
Total cost of services	1,585,423	1,337,512	746,081	629,418	2,331,504	1,966,930
Income						
Other income	60,920	5,915	-	-	60,920	5,915
Total income other than income form State Government	60,920	5,915	-	-	60,920	5,915
NET COST OF SERVICES	1,524,503	1,331,597	746,081	629,418	2,270,584	1,961,015
Income from State Government						
Service appropriation	1,402,160	1,338,240	659,840	629,760	2,062,000	1,968,000
Resources received free of charge	58,340	31,618	27,454	14,879	85,794	46,497
Total income from State Government	1,460,500	1,369,858	687,294	644,639	2,147,794	2,014,497
SURPLUS/DEFICIT FOR THE PERIOD	(64,003)	38,261	(58,787)	15,221	(122,790)	53,482

Schedule of assets and liabilities by service as at 30 June 2013

	Resolution of Complaints		Advice and Awareness		Total	
	2013	2012	2013	2012	2013	2012
	$	$	$	$	$	$
Assets						
Current assets	59,358	151,610	27,933	71,346	87,292	222,956
Non-current assets	56,420	49,940	26,551	23,501	82,971	73,441
Total assets	115,779	201,550	54,484	94,847	170,263	296,397
Liabilities						
Current liabilities	193,763	190,906	91,182	89,838	284,945	280,744
Non-current liabilities	43,375	48,506	20,412	22,826	63,787	71,232
Total liabilities	237,138	239,412	111,594	112,664	348,732	351,976
NET ASSETS / (LIABILITIES)	(121,359)	(37,862)	(57,110)	(17,817)	(178,469)	(55,579)

Summary of consolidated account appropriations and income estimates for the year ended 30 June 2013

	2013 Estimate $	2013 Actual $	Variance $	2013 Actual $	2012 Actual $	Variance $
Delivery of Services						
Item 56 Net amount appropriated to deliver services	1,749,000	1,800,000	51,000	1,800,000	1,729,000	71,000
Amount Authorised by Other Statutes						
-Freedom of Information Act 1992	251,000	262,000	11,000	262,000	239,000	23,000
Total appropriations provided to deliver services	**2,000,000**	**2,062,000**	**62,000**	**2,062,000**	**1,968,000**	**94,000**
Capital						
Capital appropriations	-	-	-	-	-	-
GRAND TOTAL	**2,000,000**	**2,062,000**	**62,000**	**2,062,000**	**1,968,000**	**94,000**
Details of Expenses by Service						
Resolution of Complaints	1,412,000	1,585,423	173,423	1,585,423	1,337,512	247,911
Advice and Awareness	605,000	746,081	141,081	746,081	629,418	116,663
Total Cost of Services	2,017,000	2,331,504	314,504	2,331,504	1,966,930	364,574
Less Total Income	(4,000)	(60,920)	(56,920)	(60,920)	(5,915)	(55,005)
Net Cost of Services	2,013,000	2,270,584	257,584	2,270,584	1,961,015	309,569
Adjustment	(13,000)	(208,584)	(195,584)	(208,584)	6,985	(215,569)
Total appropriations provided to deliver services	**2,000,000**	**2,062,000**	**62,000**	**2,062,000**	**1,968,000**	**94,000**
Capital Expenditure						
Purchase of non-current physical assets	-	-	-	-	12,690	(12,690)
Adjustments for other funding sources	-	-	-	-	(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 2013 and between the actual results for 2013 and 2012.

Notes to the financial statements for the year ended 30 June 2013

Note 1. Australian Accounting Standards

General

The Office of the Information Commissioner's ('the Commission's') financial statements for the year ended 30 June 2013 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 2013.

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.

(c) Reporting entity

The Commission is the reporting entity and has no related bodies.

(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.

(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 the 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 holding account held at Treasury.

Net Appropriations 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 2012 - 2013 Budget statements, the Commission retained $60,920 in 2013 ($5,915 in 2012) 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.

Gains

Gains may be realised or unrealised and are usually recognised on a net basis. These include gains arising on the disposal of non-current assets and some revaluations of non-current assets.

(f) Plant and equipment

Capitalisation/Expensing of assets

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

Initial recognition and measurement

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 their fair value at the date of acquisition.

Subsequent measurement

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.

Derecognition

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

Depreciation

All non-current assets having a limited useful life are systematically depreciated over their estimated useful lives in a manner which 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

Computers: 3 years

(g) Impairment of assets

Plant and equipment 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 an operating lease for buildings. Lease payments are expensed on a straight line basis over the lease term as this represents the pattern of benefits derived from the leased property.

(i) Financial instruments

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

- 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, and bank overdrafts.

(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 the 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 items such as leave entitlements and asset replacement.

(m) Receivables

Receivables are recognised at the 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 they are generally settled 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 Expenses

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 expected to be settled within 12 months after 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 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 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 undiscounted 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) and other funds administer 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 agency's obligations to the related superannuation liability.

The Commission has no liabilities under the Pension or the GSS Schemes. 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 Scheme 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). From 30 March 2012, existing members of the WSS or GESBS and new employees have been able to choose their preferred superannuation fund provided. The Commission makes contributions to GESB or other fund providers on behalf of employees in compliance with the *Commonwealth Government's Superannuation Guarantee (Administration) Act 1992*. Contributions to these accumulation schemes extinguish the Commission's liability for superannuation charges in respect of employees who are not members of the Pension Scheme or GSS.

The GESB makes all benefit payments in respect of the Pension and GSS Schemes, and is recouped by 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 or other superannuation funds. The employer contribution paid to the GESB in respect of the GSS is paid back into the Consolidated Account by the GESB.

(q) Assets and services received free of charge or for nominal cost

Assets or services received free of charge or for nominal cost that can be reliably measured are recognised as income at the fair value of the assets and/or the fair value of those services that the Commission would otherwise pay for. A corresponding expense is recognised for services received. 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 Australian Accounting Standards effective for annual reporting periods beginning on or after 1 July 2012 that impacted on the Commission.

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). 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 of the following Australian Accounting Standards that have been issued that may impact the Commission. Where applicable, the Commission plans to apply these Australian Accounting 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. AASB 2012-6 Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transition Disclosures amended the mandatory application date of this Standard to 1 January 2015. The Commission has not yet determined the application or the potential impact of the Standard.	1 Jan 2015

AASB 10	*Consolidated Financial Statements* This Standard supersedes AASB 127 *'Consolidated and Separate Financial Statements'* and Int 112 *'Consolidation – Special Purpose Entities'*, introducing a number of changes to accounting treatments. AASB 2012-10 *'Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments'* amends the mandatory application date of this Standard to January 2014 for not-for-profit entities. The Commission has not yet determined the application or the potential impact of the Standard.	1 Jan 2014
AASB 11	*Joint Arrangements* This Standard supersedes AASB 131 *'Interests in Joint Ventures'*, introducing a number of changes to accounting treatments. AASB 2012-10 amends the mandatory application date of this Standard to 1 January 2014 for not-for-profit entities. The Commission has not yet determined the application or the potential impact of the Standard.	1 Jan 2014
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'*. AASB 2012-10 amends the mandatory application date of this Standard to 1 January 2014 for not-for-profit entities. The Commission has not yet determined the application or the potential impact of the Standard.	1 Jan 2014
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. The Commission has liaised with the Western Australian Land Information Commission (Valuation Services) to ensure that sufficient information will be provided to meet the disclosure requirements of this Standard. There is no financial impact.	1 Jan 2013
AASB 119	*Employee Benefits* This Standard supersedes AASB 119 (October 2010), making changes to the recognition, presentation and disclosure requirements. The Commission does not have any defined benefit plans, and therefore the financial impact will be limited to the effect of discounting annual leave and long service leave liabilities that were previously measured at the undiscounted amounts.	1 Jan 2013

AASB 127	*Separate Financial Statements* This Standard supersedes AASB 127 *'Consolidated and Separate Financial Statements'*, introducing a number of changes to accounting treatments. AASB 2012-10 amends the mandatory application date of this Standard to 1 January 2014 for not-for-profit entities. The Commission has not yet determined the application or the potential impact of the Standard.	1 Jan 2014
AASB 128	*Investments in Associates and Joint Ventures* This Standard supersedes AASB 128 *'Investments in Associates'*, introducing a number of changes to accounting treatments. AASB 2012-10 amends the mandatory application date of this Standard to 1 January 2014 for not-for-profit entities. The Commission has not yet determined the application or the potential impact of the Standard.	1 Jan 2014
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 1055	*Budgetary Reporting* *This Standard specifies the nature of budgetary disclosure, the circumstances in which they are to be included in the general purpose financial statements of not-for-profit entities within the GGS. The Commission will be required to disclose additional budgetary information and explanations of major variances between actual and budgeted amounts, though there is no financial impact.*	1 Jul 2014
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.	1 Jul 2015

	AASB 2012-6 amended the mandatory application date of this Standard to 1 January 2015. The Commission has not yet determined the application or the potential impact of the Standard.	
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]* 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'*. For not-for-profit entities it applies to annual reporting period beginning on or after 1 January 2014. The Commission has not yet determined the application or the potential impact of the Standard.	1 Jan 2013
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 2011-10	*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 in September 2011. There is no financial impact.	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 Jul 2013
AASB 2012-1	*Amendments to Australian Accounting Standards - Fair Value Measurement - Reduced Disclosure Requirements [AASB 3, 7, 13, 140 & 141]* This Standard establishes and amends reduced disclosure requirements for additional and amended disclosures arising from AASB 13 and the consequential amendments implemented through AASB 2011-8. There is no financial impact.	1 Jul 2013
AASB 2012-2	*Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities [AASB 7 & 132]* This Standard amends the required disclosures in AASB 7 to include information that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position. There is no financial impact.	1 Jan 2013
AASB 2012-3	*Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities [AASB 132]* This Standard adds application guidance to AASB 132 to address inconsistencies identified in applying some of the offsetting criteria, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement. There is no financial impact.	1 Jan 2014
AASB 2012-5	*Amendments to Australian Accounting Standards arising from Annual Improvements 2009-11 Cycle [AASB 1, 101, 116, 132 & 134 and Int 2]* This Standard makes amendments to the Australian Accounting Standards and Interpretations as a consequence of the annual improvements process. There is no financial impact.	1 Jan 2013

AASB 2012-6	*Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transition Disclosures [AASB 9, 2009-11, 2010-7, 2011-7 & 2011-8]* This Standard amends the mandatory effective date of AASB 9 Financial Instruments to 1 January 2015. Further amendments are also made to consequential amendments arising from AASB 9 that will now apply from 1 January 2015 and to consequential amendments arising out of the standards that will still apply from 1 January 2013. There is no financial impact.	1 Jan 2013
AASB 2012-7	*Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 7, 12, 101 & 127]* This Standard adds to or amends the Australian Accounting Standards to provide further information regarding the differential reporting framework and the two tiers of reporting requirements for preparing general financial statement. There is no financial impact.	1 Jul 2013
AASB 2012-10	*Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments [AASB 1, 5, 7, 8, 10, 11, 12, 13, 101, 102, 108, 112, 118, 119, 127, 128, 132, 133, 134, 137, 1023, 1038, 1039, 1049, & 2011-7 and Int 12]* This Standard makes amendments to AASB 10 and related Standards to revise the transition guidance relevant to the initial application of those Standards, and to clarify the circumstances in which adjustments to an entity's previous accounting for its involvement with other entities are required and the timing of such adjustments. The Standard was issued in December 2012. The Commission has not yet determined the application or the potential impact of the Standard.	1 Jan 2013
AASB 2012-11	*Amendments to Australian Accounting Standards – Reduced Disclosure Requirements and Other Amendments [AASB 1, 2, 8, 10, 107, 128, 133, 134 & 2011-4]* This Standard makes various editorial corrections to Australian Accounting Standards – Reduced Disclosure Requirements (Tier 2). These corrections ensure that the Standards reflect decisions of the AASB regarding the Tier 2 requirements. This Standard also extends the relief from consolidation and the equity method (in the new Consolidation and Joint Arrangements Standards) to entities complying with Australian Accounting Standards – Reduced Disclosure Requirements. There is no financial impact.	1 Jul 2013

Notes to the Financial Statements for the year ended 30 June 2013

6. Employee benefits expense	2013 $	2012 $
Salaries and wages [a]	1,477,854	1,219,326
Superannuation - defined contribution plans [b]	137,264	115,178
	1,615,118	**1,334,504**

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

Employment on-costs, including workers' compensation insurance are included at note 10 'Other expenses'.

The related liability is included in note 20 'Provisions - Employment On-Costs'.

7. Services and supplies	2013 $	2012 $
Goods and services	33,437	67,565
Services and Contracts	295,081	217,666
	328,518	**285,231**

8. Depreciation	2013 $	2012 $
Depreciation equipment	8,084	7,319
	8,084	**7,319**

9. Accommodation expenses

	2013 $	2012 $
Building and operating lease expense	262,330	243,702
	262,330	**243,702**

10. Other expenses

	2013 $	2012 $
Communication expenses	12,905	11,897
Printing and binding	82	3,296
Equipment and vehicles operating lease expense	(17)	4,289
Electricity	8,887	5,008
Insurance	13,815	9,159
Repairs and maintenance	120	1,278
Travel and accommodation	14,734	15,223
Professional development	11,537	6,744
Audit	50,548	30,500
Other Expenses [a]	4,843	8,780
	117,454	**96,174**

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

11. Other revenue

	2013 $	2012 $
Other revenue	60,920	5,915
	60,920	**5,915**

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

	2013 $	2012 $
Costs of disposals of non-current assets		
Plant and equipment	-	-
Net (gain)/loss	**-**	**-**

The commission did not dispose of any non-current financial assets over the year.

13. Income from State Government

	2013 $	2012 $
Appropriation received during the period: [a]		
Service appropriations	1,800,000	1,729,000
Service appropriations - Other Statutes	262,000	239,000
	2,062,000	**1,968,000**
Resources received free of charge [b]		
Determined on the basis of the following estimates provide by agencies:		
Department of Finance - Building and Management and Works	85,794	46,497
	85,794	46,497
	2,147,794	**2,014,497**

(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 liabilities 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.

14. Restricted cash and cash equivalents

	2013 $	2012 $
Non-current		
Accrued salaries suspense account [a]	38,126	26,512
	38,126	**26,512**

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

15. Receivables

	2013 $	2012 $
Current		
Receivables	3,331	4,874
GST receivable	21,153	31,600
	24,484	**36,474**

16. Amounts receivable for services (Holding Account)

	2013 $	2012 $
Current	-	-
Non-Current	36,000	30,000
	36,000	**30,000**

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

17. Other current assets

	2013 $	2012 $
Current		
Prepayments	4,121	5,864
	4,121	**5,864**

18. Office equipment, computers and furniture	2013 $	2012 $
Office equipment and computers		
At cost	86,739	86,739
Accumulated depreciation	(77,894)	(69,810)
	8,845	**16,929**

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

	2013 $	2012 $
Carrying amount at start of year	16,929	11,558
Additions	-	12,690
Depreciation	(8,084)	(7,319)
Carrying amount at end of year	**8,845**	**16,929**

19. Payables	2013 $	2012 $
Current		
Trade payables	14,306	107,815
GST Payable	2,357	-
Accrued salaries	35,024	29,384
	51,687	**137,199**

20. Provisions	2013 $	2012 $
Current		
Employee benefits provision		
Annual leave [a]	85,226	62,758
Long service leave [b]	147,024	80,128
	232,250	**142,886**
Other provisions		
Employment on-costs [c]	1,008	659
	233,258	**143,545**
Non-current		
Employee benefits provision		
Long service leave [b]	63,455	71,014
	63,455	**71,014**
Other provisions		
Employment on-costs [c]	332	318
	63,787	**71,332**

(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 reporting period. Assessments indicate that actual settlement of the liabilities will occur as follows:

	2013 $	2012 $
Within 12 months of the end of the reporting period	74,413	56,880
More than 12 months after the reporting period	10,813	5,878
	85,226	**62,758**

(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 reporting period. Assessments indicate that actual settlement of the liabilities will occur as follows:

	2013 $	2012 $
Within 12 months of the end of the reporting period	27,156	23,735
More than 12 months after the reporting period	183,323	127,407
	210,479	**151,142**

(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 included as part of 'Other expenses - Other staffing expenses'. (See Note 9).

Movements in Other provisions, other than employee benefits, is set out below:

Employment on-cost provision	2013 $	2012 $
Carrying amount at start of the period	977	1,040
Additional/(reversals of) provisions recognised	363	(63)
Carrying amount at end of the period	**1,340**	**977**

21. Equity	2013 $	2012 $
Contributed equity		
Balance at start of the period	37,000	37,000
Balance at end of the period	**37,000**	**37,000**
Accumulated surplus/(deficit)		
Balance at start of the period	(92,679)	(146,161)
Result for the period	(122,790)	53,482
Balance at end of the period	**(215,469)**	**(92,679)**
Total equity	**(178,469)**	**(55,679)**

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.

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 item in the Statement of Financial Position as follows:

	2013	2012
	$	$
Cash and cash equivalents		
Cash and cash equivalents	58,687	180,618
Restricted Cash and cash equivalents (See note 14)	38,126	26,512
	96,813	**207,130**

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

	2013	2012
	$	$
Net cost of services	(2,270,584)	(1,961,015)
Non-cash items:		
Depreciation expense	8,084	7,319
Resources received free of charge	85,794	46,497
(Increase)/decrease in assets:		
Receivables	1,403	(4,874)
Current other assets	1,743	1,168

Increase/(decrease) in liabilities:		
Current payables	(85,009)	80,698
Current accrued salaries	5,640	-
Current other provisions	89,713	(25,416)
Non-current other provisions	(7,545)	14,395
Net GST receipts/(payments)	12,804	(11,267)
Change in GST in receivables/payables	(8,361)	(6,145)
Net cash used in operating activities	**(2,166,317)**	**(1,858,640)**

23. Resources provided free of charge

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

24. Commitments

The commitments listed below are inclusive of GST where relevant.

Non-cancellable operating lease commitments

	2013 $	2012 $
Commitments for the minimum lease payments are payable as follows:		
Within 1 year	286,341	286,814
Later than 1 year and not later than 5 years	296,362	583,666
	582,703	**870,480**

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.

25. Contingent Liabilities and Contingent Assets

There are no contingent liabilities and contingent assets for the financial year 2012 - 2013.

26. Events occurring after the end of the reporting period

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

27. Explanatory statement

Significant variations between estimates and actual results for 2013 and between the actual results for 2012 and 2013 are shown below. Significant variations are considered to be those greater than 10% or $150,000.

(a) Significant variations between estimated and actual result for 2013

	2013 Estimate $	**2013** Actual $	**Variance** Fav/(Unfav) $
Expenses			
Services and supplies [(a)]	216,000	328,518	(112,518)
Accommodation expenses [(b)]	205,000	262,330	(57,330)
Depreciation expense [(c)]	6,000	8,084	(2,084)
Other expenses [(d)]	54,000	117,454	(63,454)
Income			
Other revenue [(e)]	4,000	60,920	56,920
Income from State Government			
Resources received free of charge [(f)]	5,000	85,794	80,794

(a) The Commission decommissioned from Shared Services during the year and the increase is due to the additional expenses associated with the transition process.

(b) The Commission moved premises in March 2012 and was provided additional space for expected expansion. The potential expansion has not yet occurred, nor been funded.

(c) Two assets were purchased in 2011/12. The full year impact of depreciation is shown in 2012/13.

(d) The majority of the increase is due to a full internal audit conducted after the Commission decommissioned from Shared Services.

(e) Two major recoups were received during the year: (a) leave liability for a staff member transferring from another agency; and (b) a refund from Building Management and Works following the Commission's relocation.

(f) Building Management and Works provided additional services on behalf of the Commission in the termination of lease arrangements with the lessors of the Commission's previous premises.

(b) Significant variances between actual results for 2013 and 2012.

	2013 Actual $	2012 Actual $	Variance Fav/(Unfav) $
Expense			
Employee Benefits expense [(a)]	1,615,118	1,334,504	(280,614)
Services and supplies [(b)]	328,518	285,231	(43,287)
Other expenses [(c)]	117,454	96,174	(21,280)
Income			
Other revenue [(d)]	60,920	5,915	(55,005)
Income from State Government			
Resources received free of charge [(e)]	85,794	46,497	(39,297)

(a) Following receipt of additional funding and an increase to the FTE ceiling in 2011/12, the full year effect of the additional staff shows in 2012/13.

(b) The Commission decommissioned from Shared Services during the year and the increase is due to the additional expenses associated with the transition process.

(c) The majority of the increase is due to a full internal audit conducted after the Commission decommissioned from Shared Services.

(d) Two major recoups were received during the year: (a) leave liability for a staff member transferring from another agency; and (b) a refund from Building Management and Works following the Commission's relocation.

(e) Building Management and Works provided additional services on behalf of the Commission in the termination of lease arrangements with the lessors of the Commission's previous premises.

28. Senior Officers

Remuneration of Senior Officers

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

$	2013	2012
$240,001 - $250,000	-	-
$250,001 - $260,000	-	1
$260,001 - $270,000	1	-
	1	**1**

	2013 $	2012 $
The total remuneration of senior officers is:	269,006	254,449
	269,006	**254,449**

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

29. Remuneration of Auditor

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

	2013 $	2012 $
Auditing of accounts, financial statements and performance indicators.	22,700	21,800
	22,700	**21,800**

30. 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, receivables and payables. 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 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 30(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 an 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 Authority is unable to meet its financial obligations as they fall due.

The Authority 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 Authority's income or the value of its holdings of financial instruments. The Authority 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 liabilities at the end of the reporting period are:

	2013 $	2012 $
Financial assets		
Cash and cash equivalents	58,687	180,618
Restricted cash and cash equivalents	38,126	26,512
Receivables [a]	39,331	34,874
Financial liabilities		
Financial liabilities measured at amortised cost	49,330	137,199

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

(c) Financial Instrument disclosures

Credit risk

The following table discloses 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 financial assets as shown below. The table discloses the ageing of financial assets that are past due but not impaired and impaired 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 enhancement relating to the financial assets it holds.

	Ageing analysis of financial assets[a]							
	Carrying Amount $	Not past due and not impaired $	Up to1 month $	1-3 months $	3 months to 1 year $	1-5 years $	More than 5 years $	Impaired financial assets $
Financial Assets								
2013								
Cash and cash equivalents	58,687	58,687	-	-	-	-	-	-
Restricted cash and cash equivalents	38,126	38,126	-	-	-	-	-	-
Receivables	3,331	3,331	-	-	-	-	-	-
Amounts receivable for services	36,000	36,000	-	-	-	-	-	-
	136,144	136,144	-	-	-	-	-	-
2012								
Cash and cash equivalents	180,618	180,618	-	-	-	-	-	-
Restricted cash and cash equivalents	26,512	26,512	-	-	-	-	-	-
Receivables	4,874	4,874	-	-	-	-	-	-
Amounts receivable for services	30,000	30,000	-	-	-	-	-	-
	242,004	242,004	-	-	-	-	-	-

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

Financial Instruments (cont.)

The following table details the contractual maturity analysis for financial liabilities. The table includes interest and principal cash flows. An adjustment has been made where material.

Interest rate exposure and maturity analysis of financial assets and liabilities

	Weighted Average Effective Interest Rate %	Carrying Amount $	Interest Rate Exposure				Maturity date				
			Fixed Interest Rate $	Variable Interest Rate $	Non Interest Bearing $	Nominal Amount $	Up to 1 months $	1-3 months $	3 months to 1 year $	1-5 years $	More than 5 years $
2013											
Financial Assets											
Cash and cash equivalents	0.00%	58,687	-	-	58,687	58,687	58,687	-	-	-	-
Restricted cash and cash equivalents	0.00%	38,126	-	-	38,126	38,126	-	-	-	38,126	-
Receivables [(a)]	0.00%	3,331	-	-	3,331	3,331	3,331	-	-	-	-
Amounts receivable for services	0.00%	36,000	-	-	36,000	36,000	-	-	-	-	36,000
		136,144	-	-	136,144	136,144	62,018	-	-	38,126	36,000
Financial Liabilities											
Payables		49,330	-	-	49,330	49,330	49,330	-	-	-	-
		49,330	-	-	49,330	49,330	49,330	-	-	-	-
2012											
Financial Assets											
Cash and cash equivalents	0.00%	180,618	-	-	180,618	180,618	180,618	-	-	-	-
Restricted cash and cash equivalents	0.00%	26,512	-	-	26,512	26,512	-	-	-	26,512	-
Receivables	0.00%	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)