



**Office of the
Information Commissioner**

Freedom of information for Western Australia

ANNUAL REPORT

2017/2018



Financial Statements



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

OFFICE OF THE INFORMATION COMMISSIONER

Report on the Financial Statements

Opinion

I have audited the financial statements of the Office of the Information Commissioner which comprise the Statement of Financial Position as at 30 June 2018, 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.

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the operating results and cash flows of the Office of the Information Commissioner for the year ended 30 June 2018 and the financial position at the end of that period. They are in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions.

Basis for Opinion

I conducted my audit in accordance with the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Commissioner in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to my audit of the financial statements. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibility of the Information Commissioner 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, the *Financial Management Act 2006* 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.

In preparing the financial statements, the Information Commissioner is responsible for assessing the agency's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of the Commissioner.

Auditor's Responsibility for the Audit of the Financial Statements

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements. The objectives of my audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

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

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the agency's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Information Commissioner.
- Conclude on the appropriateness of the Information Commissioner's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the agency's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Information Commissioner regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report on Controls

Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by the Office of the Information Commissioner. The controls exercised by the 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 (the overall control objectives).

My opinion has been formed on the basis of the matters outlined in this report.

In my opinion, in all material respects, the controls exercised by the Office of the Information Commissioner are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2018.

The Information Commissioner's Responsibilities

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

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Auditor General's Responsibilities

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

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

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

Limitations of Controls

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

Report on the Key Performance Indicators

Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of the Office of the Information Commissioner for the year ended 30 June 2018. The key performance indicators are the key effectiveness indicators and the key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators of the Office of the Information Commissioner are relevant and appropriate to assist users to assess the Commissioner's performance and fairly represent indicated performance for the year ended 30 June 2018.

The 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 internal control as the Information Commissioner determines necessary to enable the preparation of key performance indicators that are free from material misstatement, whether due to fraud or error.

In preparing the key performance indicators, the Information Commissioner is responsible for identifying key performance indicators that are relevant and appropriate having regard to their purpose in accordance with Treasurer's Instruction 504 Key Performance Indicators.

Auditor General's Responsibility

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

An assurance engagement involves performing procedures to obtain evidence about the amounts and disclosures in the key performance indicators. It also involves evaluating the relevance and appropriateness of the key performance indicators against the criteria and guidance in Treasurer's Instruction 504 for measuring the extent of outcome achievement and the efficiency of service delivery. The procedures selected depend on my judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments I obtain an understanding of internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances.

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

My Independence and Quality Control Relating to the Reports on Controls and Key Performance Indicators

I have complied with the independence requirements of the Auditor General Act 2006 and the relevant ethical requirements relating to assurance engagements. In accordance with ASQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements, the Office of the Auditor General maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory 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 2018 included on the Commissioner's website. The Commissioner's management is responsible for the integrity of the Commissioner's website. This audit does not provide assurance on the integrity of the Commissioner's website. The auditor's report refers only to the financial statements 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.



SANDRA LABUSCHAGNE
ACTING DEPUTY AUDITOR GENERAL
Delegate of the Auditor General for Western Australia
Perth, Western Australia
31 August 2018

Disclosure and Legal Compliance

FINANCIAL STATEMENTS
Certification of Financial Statements
For the year ended 30 June 2018

The accompanying financial statements of the Office of the Information Commissioner have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ended 30 June 2018 and the financial position as at 30 June 2018.

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



Catherine Fletcher
Acting Information Commissioner
29 August 2018



Michelle Fitzgerald
Chief Finance Officer
29 August 2018



Statement of Comprehensive Income – 30 June 2018

	Note	2018 \$	2017 \$
COST OF SERVICES			
Expenses			
Employee benefits expense	3.1a	1,574,878	1,694,647
Supplies and services	3.2	370,629	311,456
Depreciation expense	5.1.1	6,247	7,093
Accommodation expenses	3.2	274,492	274,472
Other expenses	3.2	101,189	105,399
Total cost of services		2,327,435	2,393,066
Income			
<i>Revenue</i>			
Other revenue	4.1	24,051	1,392
Commonwealth contributions	4.3	12,510	-
Total Revenue		36,561	1,392
Total income other than income from State Government		36,561	1,392
NET COST OF SERVICES		2,290,874	2,391,675
Income from State Government	4.2		
Service appropriation		2,369,628	2,336,000
Services received free of charge		90,294	101,286
Total income from State Government		2,459,922	2,437,286
SURPLUS FOR THE PERIOD		169,048	45,611
OTHER COMPREHENSIVE INCOME			
Total other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		169,048	45,611

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

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

Statement of Financial Position – 30 June 2018

	Note	2018 \$	2017 \$
ASSETS			
Current Assets			
Cash and cash equivalents	<u>7</u>	680,973	599,876
Receivables	<u>6.1</u>	17,143	11,153
Other current assets	<u>6.3</u>	44,238	21,162
Total Current Assets		742,354	632,191
Non-Current Assets			
Restricted cash and cash equivalents	<u>7</u>	9,912	4,912
Amounts receivable for services	<u>6.2</u>	36,000	36,000
Property, plant and equipment	<u>5.1</u>	5,294	11,541
Total Non-Current Assets		51,206	52,453
TOTAL ASSETS		793,560	684,645
LIABILITIES			
Current Liabilities			
Payables	<u>6.4</u>	26,248	21,857
Employee related provisions	<u>3.1b</u>	206,711	232,551
Total Current Liabilities		232,959	254,408
Non-Current Liabilities			
Provisions	<u>3.1b</u>	52,209	90,892
Total Non-Current Liabilities		52,209	90,892
TOTAL LIABILITIES		285,168	345,300
NET ASSETS		508,392	339,344
EQUITY	<u>9.8</u>		
Contributed equity		37,000	37,000
Accumulated surplus/(deficiency)		471,392	302,344
TOTAL EQUITY		508,392	339,344

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 – 30 June 2018

	Note	Contributed Equity \$	Reserves \$	Accumulated Surplus/ (deficit) \$	Total Equity \$
Balance at 1 July 2016	<u>9.8</u>	37,000	-	256,733	293,733
Changes in accounting policy or correction of prior period errors		-	-	-	-
Restated balance at 1 July 2016		37,000	-	256,733	293,733
Surplus/(Deficit)		-	-	45,611	45,611
Total comprehensive income for the period		-	-	45,611	45,611
Transactions with owners in their capacity as owners:		-	-	-	-
Total		37,000	-	302,344	339,344
Balance at 30 June 2017		37,000	-	302,344	339,344
Balance at 1 July 2017		37,000	-	302,344	339,344
Surplus/(Deficit)		-	-	169,048	169,048
Total comprehensive income for the period		-	-	169,048	169,048
Transactions with owners in their capacity as owners:		-	-	-	-
Total		-	-	-	-
Balance at 30 June 2018		37,000	-	471,392	508,392

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

Statement of Cash Flows – 30 June 2018

	Note	2018 \$	2017 \$
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation		2,369,628	2,336,000
Net cash provided by State Government		2,369,628	2,336,000
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(1,640,319)	(1,629,397)
Supplies and services		(297,551)	(198,405)
Accommodation		(274,492)	(274,472)
GST payments on purchases		(67,937)	(56,874)
Other payments		(101,189)	(105,327)
Receipts			
Commonwealth grants and contributions		12,510	-
GST receipts on sales		2,349	141
GST receipts from taxation authority		59,240	59,794
Other receipts		23,857	1,392
Net cash provided by/(used in) operating activities	<u>7.1</u>	(2,283,532)	(2,203,148)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments			
Receipts		-	-
Net cash provided by/(used in) investing activities		-	-
Net increase/(decrease) in cash and cash equivalents		86,097	132,852
Cash and cash equivalents at the beginning of the period		604,788	471,936
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>7</u>	690,885	604,788

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

Summary of consolidated account appropriations and income estimates – 30 June 2018

	2018 Estimate \$	2018 Actual \$	Variance \$	2018 Actual \$	2017 Actual \$	Variance \$
<u>Delivery of Services</u>						
Item 46 Net amount appropriated to deliver services	2,039,000	2,091,628	52,628	2,091,628	2,058,000	33,628
Amount authorised by other statutes						
- <i>Freedom of Information Act 1992</i>	278,000	278,000	-	278,000	278,000	-
Total appropriations provided to deliver services	2,317,000	2,369,628	52,628	2,369,628	2,336,000	33,628
<u>Capital</u>						
Capital appropriations	-	-	-	-	-	-
GRAND TOTAL	2,317,000	2,369,628	52,628	2,369,628	2,336,000	33,628
<u>Details of Expenses by Service</u>						
Resolution of Complaints	1,707,000	1,582,656	(124,344)	1,582,656	1,627,285	(44,629)
Advice and Awareness	732,000	744,779	12,779	744,779	765,781	(21,002)
Total cost of services	2,439,000	2,327,435	(111,565)	2,327,435	2,393,066	(65,631)
Less total income	(4,000)	(36,561)	(32,561)	(36,561)	(1,392)	(35,169)
Net cost of services	2,435,000	2,290,875	(144,125)	2,290,875	2,391,675	(100,799)
Adjustment	(118,000)	78,754	196,754	78,754	(55,675)	134,429
Total appropriations provided to deliver services	2,317,000	2,369,628	52,628	2,369,628	2,336,000	33,628
<u>Capital Expenditure</u>	-	-	-	-	-	-
Capital appropriations	-	-	-	-	-	-

Adjustments comprise movements in cash balances and other accrual items such as receivables, payables and superannuation.

NOTES TO THE FINANCIAL STATEMENTS

Note 1. Basis of Preparation

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

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

These annual financial statements were authorised for issue by the Accountable Authority of the OIC on 29 August 2018.

Statement of compliance

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

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

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

Basis of preparation

These financial statements are presented in Australian dollars applying the accrual basis of accounting and using the historical cost convention. Certain balances will apply a different measurement basis (such as the fair value basis). Where this is the case the different measurement basis is disclosed in the associated note. All values are rounded to the nearest dollar (\$'000).

Judgements and estimates

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

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 transfers 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.

Note 2. Agency Outputs

How the OIC operates

This section includes information regarding the nature of funding the OIC receives and how this funding is utilised to achieve the OIC’s objectives. This note also provides the distinction between controlled funding and administered funding:

	Note
OIC objectives	2.1
Schedule of Income and Expenses by Service	2.2
Schedule of Assets and Liability by Service	2.3

2.1 OIC objectives

Mission

To provide independent external review of decisions made by agencies under the FOI Act and ensure that agencies and the public are aware of their responsibilities and rights under that Act. When relevant, the Commissioner also recommends legislative or administrative changes that could be made to help the objects of the FOI Act be achieved.

Services

The OIC provides the following services:

Service 1: Resolution of Complaints

Provides an independent review and complaint resolution process, which resolves cases in a timely manner and balances the competing needs and expectations of applicants, agencies and Parliament within the legislative requirements prescribed by the FOI Act.

Service 2: Advice and Awareness

Provides objective advice to members of the public and agencies to assist in the proper lodgement and processing of applications under the FOI Act. Proposes initiatives to enhance efficiency in OIC administration when dealing with applications received and conducts briefings and training sessions for agency staff.

2.2 Schedule of Income and Expenses by Service - 30 June 2018

	Resolution of Complaints		Advice and Awareness		Total	
	2018	2017	2018	2017	2018	2017
	\$	\$	\$	\$	\$	\$
COST OF SERVICES						
<u>Expenses</u>						
Employee benefits expense	1,070,917	1,152,360	503,961	542,287	1,574,878	1,694,647
Supplies and services	252,028	211,790	118,601	99,666	370,629	311,456
Depreciation expense	4,248	4,823	1,999	2,270	6,247	7,093
Accommodation expense	186,654	186,641	87,837	87,831	274,492	274,472
Other expenses	68,809	71,671	32,381	33,728	101,189	105,399
Total cost of services	1,582,656	1,627,285	744,779	765,781	2,327,435	2,393,066
<u>Income</u>						
Other revenue	24,051	1,392	-	-	24,051	1,392
Commonwealth contributions	12,510	-	-	-	12,510	-
Total income other than income from State Government	36,561	1,392	-	-	36,561	1,392
NET COST OF SERVICES	1,546,095	1,625,893	744,779	765,781	2,290,875	2,391,675
Income from State Government						
Service appropriation	1,611,347	1,588,480	758,281	747,520	2,369,628	2,336,000
Services received free of charge	61,400	68,874	28,894	32,412	90,294	101,286
Total income from State Government	1,672,747	1,657,354	787,175	779,932	2,459,922	2,437,286
SURPLUS FOR THE PERIOD	126,652	31,461	42,396	14,150	169,048	45,611

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

2.3 Schedule of Assets and Liabilities by Service - 30 June 2018

	Resolution of Complaints		Advice and Awareness		Total	
	2018	2017	2018	2017	2018	2017
	\$	\$	\$	\$	\$	\$
<u>Assets</u>						
Current assets	504,801	429,890	237,553	202,301	742,354	632,191
Non-current assets	34,820	35,668	16,386	16,785	51,206	52,453
Total assets	539,621	465,558	253,939	219,086	793,560	684,645
<u>Liabilities</u>						
Current liabilities	158,412	172,998	74,547	81,411	232,959	254,408
Non-current liabilities	35,502	61,806	16,707	29,085	52,209	90,892
Total liabilities	193,914	234,804	91,254	110,496	285,168	345,300
NET ASSETS	345,707	230,754	162,685	108,590	508,392	339,344

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

Note 3. Use of our funding

Expenses incurred in the delivery of services

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

	Notes	2018 \$	2017 \$
Employee benefits expense	3.1(a)	1,574,878	1,694,647
Employee related provisions	3.1(b)	258,920	323,443
Other expenses	3.2	746,310	698,420

Note 3.1(a) Employee benefits expense

	2018 \$	2017 \$
Wages and salaries	1,352,569	1,546,924
Termination benefits	80,558	-
Superannuation - defined contribution plans ^(a)	141,751	147,723
	1,574,878	1,694,647

(a) Defined contribution plans include West State Superannuation Scheme (WSS), Gold State Superannuation Scheme (GSS), Government Employees Superannuation Board Schemes (GESBs) and other eligible funds.

Wages and salaries: Employee expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements and WorkCover.

Termination benefits: Payable when employment is terminated before normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. Termination benefits are recognised when the OIC is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling more than 12 months after the end of the reporting period are discounted to present value.

Superannuation: The amount recognised in profit or loss of the Statement of Comprehensive Income comprises employer contributions paid to the GSS (concurrent contributions), the WSS, the GESBs, or other superannuation funds. The employer contribution paid to the Government Employees Superannuation Board (GESB) in respect of the GSS is paid back into the Consolidated Account by the GESB.

GSS (concurrent contributions) is a defined benefit scheme for the purposes of employees and whole-of-government reporting. It is however a defined contribution plan for OIC purposes because the concurrent contributions (defined contributions) made by the OIC to GESB extinguishes the OIC's obligations to the related superannuation liability.

The OIC does not recognise any defined benefit liabilities because it has no legal or constructive obligation to pay future benefits relating to its employees. 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 OIC to the GESB.

The GESB and other fund providers administer public sector superannuation arrangements in Western Australia in accordance with legislative requirements. Eligibility criteria for membership in particular schemes for public sector employees vary according to commencement and implementation dates.

Note 3.1(b) Employee related provisions

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

	2018 \$	2017 \$
Current		
<u>Employee benefits provision</u>		
Annual leave ^(a)	81,741	82,178
Long service leave ^(b)	124,030	149,308
	205,771	231,486
<u>Other provisions</u>		
Employment on-costs ^(c)	940	1,065
	206,711	232,551
Non-current		
<u>Employee benefits provision</u>		
Long service leave ^(b)	51,972	90,478
	51,792	90,478

	2018 \$	2017 \$
<u>Other provisions</u>		
Employment on-costs ^(c)	237	414
	52,209	90,892
Total employee related provisions	258,920	323,443

(a) **Annual leave liabilities:** 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 will occur as follows:

Within 12 months of the end of the reporting period	65,402	75,039
More than 12 months after the end of the reporting period	16,339	7,139
	81,741	82,178

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

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

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

Assessments indicate that actual settlement of the liabilities will occur as follows:

	2018 \$	2017 \$
Within 12 months of the end of the reporting period	15,610	47,849
More than 12 months after the reporting period	160,392	191,937
	176,002	239,786

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

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

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of Note 3.2 'Other expenses' (apart from the unwinding of the discount (finance cost)) and are not included as part of the OIC's 'Employee benefits

expense'. The related liability is included in 'Employment on-costs provision'.

Employment on-cost provision	2018 \$	2017 \$
Carrying amount at start of year	1,479	1,207
Additional/(reversals of) provisions recognised	(302)	272
Carrying amount at end of period	1,177	1,479

Key sources of estimation uncertainty – long service leave

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

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

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

Changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision.

Any gain or loss following revaluation of the present value of long service leave liabilities is recognised as an employee benefits expense.

Note 3.2 Other expenses

	2018 \$	2017 \$
Supplies and services		
Goods and supplies	23,117	32,035
Services and contracts	347,512	279,421
	370,629	311,456
Accommodation expenses		
Lease rentals	274,492	274,472
	274,492	274,472
Other expenditures		
Communication expenses	3,989	4,989
Printing and binding	3,604	-
Electricity	7,407	11,456
Insurance	12,663	12,996
Travel and accommodation	5,489	13,642
Software licenses	11,483	11,905
Professional services	-	120
Professional development	11,378	6,186
Audit fees	35,463	39,238
Employee on-costs	(249)	-
Other	9,962	4,867
	101,189	105,399
Total other expenses	746,310	691,327

Supplies and services

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

Accommodation expenses

Operating lease payments are recognised on a straight line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset [AASB 117.33]. Repairs, maintenance and cleaning costs are recognised as expenses as incurred.

Other expenditures

Other expenditures generally represent the day-to-day running costs incurred in normal operations.

Communications expense include telephone, postal and internet costs incurred and are recognised as expenses as incurred.

Electricity costs are recognised as expenses as incurred.

Insurance includes general insurance costs (excluding workers' compensation) and is recognised as an expense as incurred.

Travel and accommodation costs for staff travel on behalf of the OIC is recognised as an expense as incurred.

Software licences are costs associated with the use of software applications by the OIC and are recognised as expenses as incurred.

Professional services associated with advice and services received by the OIC are recognised as expenses as incurred.

Professional development costs are incurred for the training and development of OIC staff and are recognised as expenses as incurred.

Audit fees include both external and internal audit and are recognised as an expense in the period in which it is incurred.

Employee on-costs include workers' compensation insurance and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liabilities is included at Note 3.1(b) 'Employee related provision'. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

4. Our funding sources

How we obtain our funding

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

	Notes	2018 \$	2017 \$
Other revenue	4.1	24,051	1,392
Income from State Government	4.2	2,459,922	2,437,286
Commonwealth contributions	4.3	12,510	-

4.1 Other revenue

	2018 \$	2017 \$
Other revenue	24,051	1,392
	24,051	1,392

Other revenue is recognised at fair value when the OIC obtains control over the assets comprising the contributions, usually when cash is received.

4.2 Income from State Government

Appropriation received during the period

Service appropriations ^(a)	2,091,628	2,058,000
Service appropriations - other statutes ^(b)	278,000	278,000
	2,369,628	2,336,000

Services received free of charge from other State government agencies during the period

Department of Finance – Building Management and Works	90,294	101,286
	2,459,922	2,437,286

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

(b) **Service appropriations - other statutes:** Salaries and Allowances Tribunal funding is recognised as revenue at fair value in

the period in which the OIC gains control of the appropriated funds. The OIC gains control of appropriated funds at the time those funds are deposited in the bank account.

4.3 Commonwealth grants and contributions

	2018 \$	2017 \$
Paid parental leave	12,510	-
	12,510	-

For non-reciprocal grants, the OIC recognises revenue when the grant is receivable at its fair value as and when its fair value can be reliably measured.

5. Key assets

Assets the OIC utilises for economic benefit or service potential

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

	Notes	2018 \$	2017 \$
Property, plant and equipment	5.1	5,294	11,541

5.1 Property, plant and equipment

	2018 \$	2017 \$
<u>OIC equipment and computers</u>		
At cost	46,314	46,314
Accumulated depreciation	(41,020)	(34,773)
	5,294	11,541

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

	OIC equipment and computers
2018	
Carrying amount at start of year	11,541
Depreciation	(6,247)
Carrying amount at end of year	5,294
2017	
Carrying amount at start of year	18,634
Depreciation	(7,093)
Carrying amount at end of year	11,541

Initial recognition

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

Subsequent measurement

Subsequent to initial recognition as an asset, the 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.

5.1.1 Depreciation and impairment

Charge for the period

Depreciation

	2018 \$	2017 \$
Plant and equipment	6,247	7,093
	6,247	7,093

As at 30 June 2018 there were no indications of impairment to property, plant and equipment.

All surplus assets at 30 June 2018 have either been classified as assets held for sale or have been written-off.

Finite useful lives

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

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

Asset	Useful life: years
Equipment	5 years
Computers	3 years

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

Impairment

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

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

Where a previously revalued asset is written down to its recoverable amount, the loss is recognised as a revaluation decrement through other comprehensive income.

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

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

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 declining replacement costs.

6. Other assets and liabilities

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

	Notes	2018 \$	2017 \$
Receivables	6.1	17,143	11,153
Amounts receivable for services	6.2	36,000	36,000
Other assets	6.3	44,238	21,162
Payables	6.4	26,248	21,857

6.1 Receivables

	2018 \$	2017 \$
<u>Current</u>		
Receivables	-	503
GST receivable	17,143	10,650
	17,143	11,153

The OIC does not hold any collateral or other credit enhancements as security for receivables.

Receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

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 OIC will not be able to collect the debts. There were no debts identified as doubtful as at 30 June 2018.

6.2 Amounts receivable for services (holding account)

	2018 \$	2017 \$
Non-current	36,000	36,000
	36,000	36,000

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

The OIC 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 asset replacement.

6.3 Other assets

Current

Prepayments	44,238	21,162
	44,238	21,162

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

6.4 Payables

	2018 \$	2017 \$
<u>Current</u>		
Trade payables	21,237	15,970
GST payable	-	48
Accrued salaries	4,921	5,840
	26,248	21,857

Payables are recognised at the amounts payable when the OIC becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as settlement is generally within 30 days.

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

The accrued salaries suspense account (see Note 7 'Restricted cash and cash equivalents') consists of amounts paid annually, from OIC appropriations for salaries expense, into a Treasury suspense account to meet the additional cash outflow for employee salary payments in reporting periods with 27 pay days instead of the normal 26. No interest is received on this account.

7. Financing

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

	Notes	2018 \$	2017 \$
Cash and cash equivalents		680,973	599,876
Restricted cash and cash equivalents			
- Accrued salaries expense account ^(a)	8.1	9,912	4,912
		690,885	604,788

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

For the purpose of the statement of cash flows, cash and cash equivalent (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.

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

	Notes	2018 \$	2017 \$
Net cost of services		(2,290,874)	(2,391,675)
<u>Non-cash items</u>			
Depreciation expense	5.1	6,247	7,093
Services received free of charge	4.2	90,294	101,286
<u>(Increase)/decrease in assets</u>			
Current receivables ^(a)		503	(252)
Other current assets		(23,076)	18,632
<u>(Increase)/decrease in liabilities</u>			
Current payables ^(a)		5,357	(6,579)
Current accrued salaries		(919)	5,840
Current other provisions		(25,840)	49,953
Non-current other provisions		(38,683)	9,422
Net GST receipts/(payments) ^(b)		(6,541)	3,133
Net cash provided by/(used in) operating activities		(2,283,532)	(2,203,148)

(a) Note that the Australian Taxation OIC 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, ie cash transactions.

7.2 Commitments

Non-cancellable operating lease commitments

Commitments for minimum lease payments are payable as follows:

	2018 \$	2017 \$
Within 1 year	-	307,203
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-
	-	307,203

Operating leases are expensed on a straight line basis over the lease term as this represents the pattern of benefits derived from the leased properties.

The OIC property lease expired on 30 June 2018, with rent, outgoings and car parking rental payable monthly until a new lease is negotiated. The payments for rent and outgoings are on the same terms as the expired lease payable monthly in advance. Given that there is currently no formal lease agreement or specified term there are no formal lease commitments.

Judgements made by management in applying accounting policies – operating lease commitments

The OIC has yet to enter into a lease agreement for office accommodation. It has been determined that the lessor retains substantially all the risks and rewards incidental to ownership in respect of any temporary lease agreement. Accordingly, this lease will be classified as operating leases.

8. Risks and contingencies

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

	Notes
Finance management risk	8.1
Contingent assets and liabilities	8.2

8.1 Financial management risk

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

(a) Summary of risks and risk management

Credit risk

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

The maximum exposure to credit risk at the end of the reporting period in relation to each class of recognised financial asset is the gross carrying amount of those assets inclusive of any allowance for impairment as shown in the table at Note 8.1(c) 'Ageing analysis of financial assets' and Note 6.1 'Receivables'.

Credit risk associated with the OIC's financial assets is minimal because the main receivable is the amounts receivable for services (holding account). For receivables other than Government, the OIC trades only with recognised, creditworthy third parties. Receivable balances are monitored on an ongoing basis with the result that the

OIC’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 OIC is unable to meet its financial obligations as they fall due.

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

The OIC has appropriate procedures to manage cash flows including drawdown 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 OIC’s income or the value of its holdings of financial instruments. The OIC does not trade in foreign currency and is not materially exposed to other price risks (for example, equity securities or commodity price changes). The OIC’s exposure to market risk for changes in interest rates relate primarily to the long-term debt obligations.

Other than as detailed in the interest rate sensitivity analysis table at Note 8.1(d), the OIC is not exposed to interest rate risk because the majority of cash and cash equivalents and restricted cash are non-interest bearing and it has no borrowings.

(b) Categories of financial instruments

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

	2018 \$	2017 \$
<u>Financial assets</u>		
Cash and cash equivalents	680,973	599,876
Restricted cash and cash equivalents	9,912	4,912
Receivables ^(a)	36,000	36,503
	726,885	641,292
<u>Financial liabilities</u>		
Financial liabilities measured at amortised costs	26,248	21,857
	26,248	21,857

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

(c) Ageing analysis of financial assets

	Carrying amount \$	Not past due and not impaired \$	<u>Past due but not impaired</u>					Impaired financial assets \$
			Up to 1 month \$	1-3 months \$	3 months to 1 year \$	1-5 years \$	More than 5 years \$	
2018								
Cash and cash equivalents	680,973	680,973	-	-	-	-	-	-
Restricted cash and cash equivalents	9,912	9,912	-	-	-	-	-	-
Amounts receivable for services	36,000	36,000	-	-	-	-	-	-
	726,885	726,885	-	-	-	-	-	-
2017								
Cash and cash equivalents	599,876	599,876	-	-	-	-	-	-
Restricted cash and cash equivalents	4,912	4,912	-	-	-	-	-	-
Receivables ^(a)	503	503	-	-	-	-	-	-
Amounts receivable for services	36,000	36,000	-	-	-	-	-	-
	641,292	641,292	-	-	-	-	-	-

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

(d) Liquidity risk and interest rate exposure

The following table details the OIC'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 analyses only the carrying amounts of each item.

Interest rate exposure and maturity analysis of financial assets and liabilities											
	Interest Rate Exposure					Maturity dates					
	Weighted average effective interest rate %	Carrying amount \$	Fixed interest rate \$	Variable interest rate \$	Non interest bearing \$	Nominal amount \$	Up to 1 month \$	1-3 months \$	3 months to 1 year \$	1-5 years \$	More than 5 years \$
2018											
Financial Assets											
Cash and cash equivalents	-	680,973	-	-	680,973	680,973	680,973	-	-	-	-
Restricted cash and cash equivalents	-	9,912	-	-	9,912	9,912	-	-	-	-	9,912
Amounts receivable for services	-	36,000	-	-	36,000	36,000	-	-	-	-	36,000
		726,885	-	-	726,885	726,885	680,973	-	-	-	45,912
Financial Liabilities											
Payables	-	26,248	-	-	26,248	26,248	26,248	-	-	-	-
		26,248	-	-	26,248	26,248	26,248	-	-	-	-
2017											
Financial Assets											
Cash and cash equivalents	-	599,876	-	-	599,876	599,876	599,876	-	-	-	-
Restricted cash and cash equivalents	-	4,912	-	-	4,912	4,912	-	-	-	-	4,912
Receivables ^(a)	-	503	-	-	503	503	503	-	-	-	-
Amounts receivable for services	-	36,000	-	-	36,000	36,000	-	-	-	-	36,000
		641,292	-	-	641,292	641,292	600,380	-	-	-	40,912
Financial Liabilities											
Payables	-	21,857	-	-	21,857	21,857	21,857	-	-	-	-
		21,857	-	-	21,857	21,857	21,857	-	-	-	-

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

8.2 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the statement of financial position but are disclosed and, if quantifiable, are measured at nominal value.

The OIC had no contingent liabilities and contingent assets for the year ending 30 June 2018.

9. Other disclosures

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

	Notes		
Events occurring after the end of the reporting period	9.1		Operative for reporting periods beginning on/after
Future impact of Australian standards issued not yet operative	9.2		
Key management personnel	9.3		
Related party transactions	9.4		
Related bodies	9.5	AASB 9	<i>Financial Instruments</i> 1 Jan 2018
Affiliated bodies	9.6		
Remuneration of auditors	9.7		
Equity	9.8		
Supplementary financial information	9.9		
Explanatory statement	9.10		
			This Standard supersedes AASB 139 <i>Financial Instruments: Recognition and Measurement</i> , introducing a number of changes to accounting treatments.
			The OIC has assessed that no expected credit losses will impact the amount of impairment losses recognised as 'Other expenses' in the Statement of Comprehensive Income and thus have no

9.1 Events occurring after the end of the reporting period

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

9.2 Future impact of Australian Accounting Standards not yet operative

The OIC cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements' or by an exemption from TI 1101. Where applicable, the OIC plans to apply the following Australian Accounting Standards from their application date.

OVERVIEW	AGENCY PERFORMANCE	SIGNIFICANT ISSUES AND TRENDS	DISCLOSURES AND LEGAL COMPLIANCE	KEY PERFORMANCE INDICATORS	FINANCIAL STATEMENTS	OIC STATISTICS	AGENCY STATISTICS
		impact on the OIC's Surplus/(Deficit) for the period.					
AASB 15	<i>Revenue from Contracts with Customers</i>	1 Jan 2019					
	<p>This Standard establishes the principles that the OIC shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The mandatory application date of this Standard is currently 1 January 2019 after being amended by AASB 2016-7.</p> <p>The OIC's income is principally derived from appropriations which will be measured under AASB 1058 and will be unaffected by this change. However, the OIC has not yet determined the potential impact of the Standard on 'User charges and fees' and 'Sales' revenue. In broad terms, it is anticipated that the terms and conditions attached to these revenues will defer revenue recognition until the OIC has discharged its performance obligations.</p>						
					leases with a term of more than 12 months, unless the underlying asset is of low value.		
					The impact of AASB 16 has not yet been quantified.		
				AASB 1058	<i>Income for Not-For-Profit Entities</i>	1 Jan 2019	
					<p>This Standard clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities, more closely reflecting the economic reality of NFP entity transactions that are not contracts with customers. Timing of income recognition is dependent on whether such a transaction gives rise to a liability or other performance obligation (a promise to transfer a good or service), or a contribution by owners, related to an asset (such as cash or another asset) received by the OIC. The OIC anticipates that the application will not materially impact appropriations.</p>		
				AASB 1059	<i>Service Concession Arrangements: Grantors</i>	1 Jan 2019	
					<p>This Standard addresses the accounting for a service concession arrangement (a type of public private partnership) by a grantor that is a public sector entity by prescribing the accounting for the arrangement from the grantor's perspective. Timing and measurement for the recognition of a specific asset class</p>		
AASB 16	<i>Leases</i>	1 Jan 2019					
	<p>The Standard introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all</p>						

OVERVIEW	AGENCY PERFORMANCE	SIGNIFICANT ISSUES AND TRENDS	DISCLOSURES AND LEGAL COMPLIANCE	KEY PERFORMANCE INDICATORS	FINANCIAL STATEMENTS	OIC STATISTICS	AGENCY STATISTICS
		occurs on commencement of the arrangement and the accounting for associated liabilities is determined by whether the grantee is paid by the grantor or users of the public service provided. The OIC has not identified any public private partnerships within scope of the Standard.			amendments to other Standards. These changes have no impact as Appendix E has been superseded and the OIC was not permitted to early adopt AASB 9.		
AASB 2010-7	<i>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]</i>	1 Jan 2018		AASB 2014-5	<i>Amendments to Australian Accounting Standards arising from AASB 15</i>		1 Jan 2018
	This Standard makes consequential amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 9 in December 2010.				This Standard gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 15. The mandatory application date of this Standard has been amended by AASB 2015-8 to 1 January 2018. The Office has not yet determined the application or the potential impact of the Standard.		
	The mandatory application date of this Standard has been amended by AASB 2012-6 and AASB 2014-1 to 1 January 2018. Other than the exposures to AASB 9 noted above, the OIC is only insignificantly impacted by the application of the Standard.			AASB 2014-7	<i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)</i>		1 Jan 2018
					This Standard gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 9 (December 2014). The OIC has not yet determined the application or the potential impact of the Standard.		
AASB 2014-1	<i>Amendments to Australian Accounting Standards</i>	1 Jan 2018					
	Part E of this Standard makes amendments to AASB 9 and consequential						

OVERVIEW	AGENCY PERFORMANCE	SIGNIFICANT ISSUES AND TRENDS	DISCLOSURES AND LEGAL COMPLIANCE	KEY PERFORMANCE INDICATORS	FINANCIAL STATEMENTS	OIC STATISTICS	AGENCY STATISTICS
AASB 2015-8	<p><i>Amendments to Australian Accounting Standards – Effective Date of AASB 15</i></p> <p>This Standard amends the mandatory application date of AASB 15 to 1 January 2018 (instead of 1 January 2017). It also defers the consequential amendments that were originally set out in AASB 2014-5. There is no financial impact arising from this Standard.</p>		1 Jan 2018		originally set out in AASB 2014-5. There is no financial impact arising from this standard.		
AASB 2016-3	<p><i>Amendments to Australian Accounting Standards – Clarifications to AASB 15</i></p> <p>This Standard clarifies identifying performance obligations, principal versus agent considerations, timing of recognising revenue from granting a licence and provides further transitional provisions to AASB 15. The OIC has not yet determined the application or the potential impact when the deferred AASB 15 becomes effective from 1 January 2019.</p>		1 Jan 2018				
AASB 2016-7	<p><i>Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-For-Profit Entities</i></p> <p>This Standard defers, for not-for-profit entities, the mandatory application date of AASB 15 to 1 January 2019, and the consequential amendments that were</p>		1 Jan 2018				
AASB 2016-8	<p><i>Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-For-Profit Entities</i></p> <p>This Standard inserts Australian requirements and authoritative implementation guidance for not-for-profit entities into AASB 9 and AASB 15. This guidance assists not-for-profit entities in applying those Standards to particular transactions and other events. There is no financial impact.</p>		1 Jan 2019				

9.3 Key management personnel

The OIC has determined key management personnel to include senior officers of the OIC.

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

Compensation band (\$)	2018	2017
\$80,001 - \$90,000	1	-
\$110,001 - \$120,000	1	-
\$140,001 - \$150,000	1	-
\$300,001 - \$310,000	-	1
	3	1

	2018 \$	2017 \$
Short-term employment benefits	296,392	261,210
Post-employment benefits	25,453	24,227
Other long-term benefits	10,358	21,626
	332,203	307,063

Total compensation includes the superannuation expense incurred by the OIC in respect of senior officers. During the year the substantive Information Commissioner resigned and there were two successive Acting Information Commissioners.

9.4 Related party transactions

The OIC is a wholly owned and controlled entity of the State of Western Australia.

Related parties of the OIC include:

- all senior officers and their close family members, and their controlled or jointly controlled entities;
- other departments and public sector entities, including related bodies included in the whole of government consolidated financial statements; and
- GESB.

Significant transactions with government related entities

In conducting its activities, the OIC is required to transact with State and entities related to the State. These transactions are generally based on the standard terms and conditions that apply to all agencies. Such transactions include:

- income from the State Government (Note 4.2);
- services received free of charge from the Department of Finance – Building Management and Works (Note 4.2);
- superannuation payments to GESB (Note 3.1(a)); and
- lease rental payments to the Department of Finance (Note 7.2).

Material transactions with related parties

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

9.5 Related bodies

The OIC has no related bodies.

9.6 Affiliated bodies

The OIC has no affiliated bodies.

9.7 Remuneration of Auditor

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

	2018 \$	2017 \$
Auditing of accounts, financial statements and performance indicators	26,970	26,700
	26,970	26,700

9.8 Equity

	2018 \$	2017 \$
<u>Contributed equity</u>		
Balance at start of the period	37,000	37,000
	37,000	37,000
Accumulated surplus/(deficit)		
Balance at start of the period	302,344	256,733
Result for the period	169,048	45,611
	471,392	302,344
Total equity	508,392	339,344

9.9 Supplementary financial information

Write-offs

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

Losses through theft, defaults and other causes

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

Gifts of public property

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

9.10 Explanatory statement

The OIC does not meet the threshold of TI 945(1)(ii) requiring explanatory statements.