

Financial Statements

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30 June 2021

Financial Statements

Certification of Financial Statements

For the reporting period ended 30 June 2021

The accompanying financial statements of the Parliamentary Commissioner for Administrative Investigations 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 2021 and the financial position as at 30 June 2021.

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.

Financial Statements



Alan Shaw
Chief Finance Officer

23 September 2021



Chris Field
Accountable Authority

23 September 2021

Parliamentary Commissioner for Administrative Investigations Statement of Comprehensive Income

For the year ended 30 June 2021

	Notes	2021 \$	2020 \$
COST OF SERVICES			
Expenses			
Employee benefits expense	3.1(a)	9,104,958	8,679,248
Supplies and services	3.2	937,580	944,727
Depreciation and amortisation expense	5.1.1, 5.3.1	221,310	204,658
Accommodation expenses	3.2	1,414,088	1,475,246
Finance costs	7.2	827	1,188
Other expenses	3.2	34,527	27,112
Total cost of services		11,713,290	11,332,179
Income			
<i>Revenue</i>			
Other revenue	4.2	2,497,745	2,492,550
Total revenue		2,497,745	2,492,550
Total income other than income from State Government		2,497,745	2,492,550
NET COST OF SERVICES		9,215,545	8,839,629
Income from State Government			
Service appropriation	4.1	8,054,000	8,684,000
Services received free of charge	4.1	486,930	445,024
Total income from State Government		8,540,930	9,129,024
SURPLUS/(DEFICIT) FOR THE PERIOD		(674,615)	289,395
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(674,615)	289,395

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

Parliamentary Commissioner for Administrative Investigations Statement of Financial Position

As at 30 June 2021

	Notes	2021 \$	2020 \$
ASSETS			
Current Assets			
Cash and cash equivalents	7.3	367,489	952,631
Restricted cash and cash equivalents	7.3	10,398	35,808
Other current assets	6.3	-	30,127
Receivables	6.1	129,342	101,137
Amounts receivable for services	6.2	208,000	208,000
Total Current Assets		715,229	1,327,703
Non-Current Assets			
Restricted cash and cash equivalents	7.3	170,773	127,529
Amounts receivable for services	6.2	2,008,000	1,982,000
Plant and equipment	5.1	119,180	109,517
Intangible assets	5.3	320,742	208,190
Right-of-use assets	5.2	29,600	48,367
Total Non-Current Assets		2,648,295	2,475,603
TOTAL ASSETS		3,363,524	3,803,306
LIABILITIES			
Current Liabilities			
Payables	6.4	192,081	230,807
Employee related provisions	3.1(b)	1,898,938	1,741,537
Lease liabilities	7.1	18,802	20,968
Contract liabilities	6.5	55,106	34,756
Total Current Liabilities		2,164,927	2,028,068
Non-Current Liabilities			
Employee related provisions	3.1(b)	559,205	517,971
Lease liabilities	7.1	11,217	28,228
Contract liabilities	6.5	57,861	3,110
Total Non-Current Liabilities		628,283	549,309
TOTAL LIABILITIES		2,793,210	2,577,377
NET ASSETS		570,314	1,225,929
EQUITY			
Contributed equity	9.6	1,246,000	1,227,000
Accumulated surplus/(deficit)	9.6	(675,686)	(1,071)
TOTAL EQUITY		570,314	1,225,929

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

Parliamentary Commissioner for Administrative Investigations Statement of Changes in Equity

For the year ended 30 June 2021

	Notes	Contributed equity \$	Accumulated surplus/(deficit) \$	Total equity \$
Balance at 1 July 2019	<u>9.6</u>	1,206,000	(290,466)	915,534
Surplus		-	289,395	289,395
Total comprehensive income for the period		-	289,395	289,395
Transactions with owners in their capacity as owners:				
Capital appropriations		21,000	-	21,000
Total		21,000	-	21,000
Balance at 30 June 2020		1,227,000	(1,071)	1,225,929
Balance at 1 July 2020		1,227,000	(1,071)	1,225,929
Surplus/(Deficit)		-	(674,615)	(674,615)
Total comprehensive income for the period		-	(674,615)	(674,615)
Transactions with owners in their capacity as owners:				
Capital appropriations		19,000	-	19,000
Total		19,000	-	19,000
Balance at 30 June 2021		1,246,000	(675,686)	570,314

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

Parliamentary Commissioner for Administrative Investigations Statement of Cash Flows

For the year ended 30 June 2021

	Notes	2021 \$	2020 \$
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation		7,820,000	8,449,000
Holding account drawdown		208,000	208,000
Capital appropriations		19,000	21,000
Net cash provided by State Government		8,047,000	8,678,000
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(8,880,726)	(8,424,667)
Supplies and services		(712,710)	(876,794)
Accommodation		(1,121,373)	(1,181,627)
GST payments on purchases		(217,902)	(227,721)
GST payments to taxation authority		(101,690)	(112,220)
Finance costs		(827)	(1,188)
Other payments		(26,086)	(26,136)
Receipts			
GST receipts on sales		250,971	248,442
GST receipts from taxation authority		215	79,383
Other receipts		2,497,734	2,492,550
Net cash used in operating activities		(8,312,394)	(8,029,978)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments			
Purchase of non-current assets		(281,126)	(245,737)
Net cash used in investing activities		(281,126)	(245,737)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments			
Principal elements of lease payments		(20,789)	(19,158)
Net cash used in financing activities		(20,789)	(19,158)
Net increase/(decrease) in cash and cash equivalents		(567,309)	383,127
Cash and cash equivalents at the beginning of the period		1,115,968	732,841
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	7.3	548,660	1,115,968

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

Parliamentary Commissioner for Administrative Investigations Summary of consolidated account appropriations

For the year ended 30 June 2021

	2021 Budget Estimate \$	2021 Supplementary Funding \$	2021 Mid-year Review Adjustment \$	2021 Revised Budget \$	2021 Actual \$	2021 Variance \$
<u>Delivery Services</u>						
Item 4 Net amount appropriated to deliver services	7,376,000	-	-	7,376,000	7,376,000	-
Section 25 Transfer of service appropriation	-	-	-	-	-	-
Amount Authorised by Other Statutes						
- <i>Parliamentary Commissioner Act 1971</i>	678,000	-	-	678,000	678,000	-
Total appropriations provided to deliver services	8,054,000	-	-	8,054,000	8,054,000	-
<u>Capital</u>						
Item 92 Capital appropriations	19,000	-	-	19,000	19,000	-
GRAND TOTAL	8,073,000	-	-	8,073,000	8,073,000	-

Note 9.9 "Explanatory statement" provides details of any significant variations between revised budget and actual results for 2021.

Parliamentary Commissioner for Administrative Investigations Notes to the Financial Statements For the year ended 30 June 2021

1. Basis of preparation

Parliamentary Commissioner for Administrative Investigations (**the Office**) is a WA Government entity and is controlled by the State of Western Australia, which is the ultimate parent. The Office 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 Office on 23 September 2021.

Statement of compliance

These general purpose financial statements are prepared in accordance with:

- (1) The *Financial Management Act 2006* (**FMA**);
- (2) The Treasurer's Instructions (**the Instructions or TI**);
- (3) Australian Accounting Standards (**AASs**) – Reduced Disclosure
- (4) Where appropriate, those AAS paragraphs applicable for not-for-profit entities have been applied.

The *Financial Management Act 2006* and the Treasurer's Instructions (**the Instructions**) take precedence over AAS. Several AAS are modified by the Instructions 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.

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.

2. Agency outputs

How the Office operates

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

	Notes
Agency objectives	<u>2.1</u>

2.1 Agency objectives

Mission

The mission of the Ombudsman Western Australia is to serve Parliament and Western Australians by:

- Receiving, investigating and resolving complaints about State Government agencies, local governments and universities;
- Reviewing certain child deaths and family and domestic violence fatalities;
- Improving public administration for the benefit of all Western Australians through own motion investigations and education and liaison programs with public authorities; and
- Undertaking a range of additional functions, including statutory inspection and monitoring functions.

The Office is predominantly funded by Parliamentary appropriation. The Ombudsman Western Australia also performs the functions of the Energy and Water Ombudsman Western Australia (**EWOWA**) under a services agreement with the Board of Energy and Water Industry Ombudsman (Western Australia) Limited, the governing body of EWOWA. The Office recoups the costs for EWOWA from the Board. The financial statements encompass all funds through which the Office controls resources to carry on its functions.

Services

The Office provides the following service:

Service 1: Resolving complaints about decision making of public authorities and improving the standard of public administration

Investigating and resolving complaints from members of the public about Western Australian public authorities and improving the standard of public administration by identifying and investigating concerns that affect the broader community, making recommendations for improvement and identifying and promoting good decision making and practices.

The Office does not administer assets, liabilities, income and expenses on behalf of Government which are not controlled by, nor integral to, the function of the Office.

3. Use of our funding

Expenses incurred in the delivery of services

This section provides additional information about how the Office'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 Office in achieving its objectives and the relevant notes are:

	Notes	2021 \$	2020 \$
Employee benefits expenses	3.1(a)	9,104,958	8,679,248
Employee related provisions	3.1(b)	2,458,143	2,259,508
Other expenditure	3.2	2,386,195	2,447,085

3.1(a) Employee benefits expense

	2021 \$	2020 \$
Employee benefits	8,328,944	7,921,373
Termination benefits	283	30
Superannuation - defined contribution plans	799,146	768,509
Other related expenses	(23,416)	(10,664)
Total employee benefits expenses	9,104,958	8,679,248
Add: AASB 16 Non-monetary benefits	21,205	21,175
Less: Employee Contributions	(12,740)	(11,682)
Net benefits expenses	9,113,422	8,688,741

Employee benefits: Include wages, salaries, accrued and paid leave entitlements and paid sick leave; and non-monetary benefits (such as cars) for employees.

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 Office 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 due 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.

AASB 16 Non-monetary benefits: non-monetary employee benefits, that are employee benefits expenses, predominantly relate to the provision of vehicle and housing benefits are measured at the cost incurred by the Office.

Employee Contributions: contributions made to the Office by employees towards employee benefits that have been provided by the Office. This includes both AASB 16 and non-AASB 16 employee contributions.

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.

	2021 \$	2020 \$
Current		
<i>Employee benefits provision</i>		
Annual leave ^(a)	659,908	580,040
Long service leave ^(b)	1,215,867	1,129,699
Purchased leave scheme ^(c)	14,557	23,941
	1,890,332	1,733,680
<i>Other provisions</i>		
Employment on-costs ^(d)	8,606	7,857
	8,606	7,857
Total current employee related provisions	1,898,938	1,741,537
Non-current		
<i>Employee benefits provision</i>		
Long service leave ^(b)	556,700	515,644
	556,700	515,644
<i>Other provisions</i>		
Employment on-costs ^(d)	2,505	2,327
	2,505	2,327
Total non-current employee related provisions	559,205	517,971
Total employee related provisions	2,458,143	2,259,508

- (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.

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 liabilities as the Office 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 Office has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

The provision for long service leave are calculated at present value as the Office 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) **Purchased leave liabilities:** Purchased leave liabilities have been classified as current as they must be cleared or paid out within 12 months.
- (d) **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 'Other expenditure', Note 3.2 (apart from the unwinding of the discount (finance cost)), and are not included as part of the Office's 'employee benefits expense'. The related liability is included in 'Employment on-costs provision'.

	2021	2020
	\$	\$
<u>Employment on-cost provision</u>		
Carrying amount at start of period	10,184	9,271
Additional provisions recognised	927	913
Carrying amount at end of period	11,111	10,184

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 Office'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 employee benefits expense.

3.2 Other expenditure

	2021 \$	2020 \$
Supplies and services		
Communications	56,952	65,600
Consumables	86,864	104,673
Services and contracts	390,746	331,148
Services received free of charge ^(a)	194,215	151,405
Insurance	6,326	84,621
Travel	(4,611)	53,467
Other ^(b)	207,090	153,813
Total supplies and services expenses	937,580	944,727
Accommodation expenses		
Rentals	1,121,252	1,176,279
Repairs and maintenance	121	5,348
Services received free of charge ^(c)	292,715	293,619
Total accommodation expenses	1,414,088	1,475,246
Other		
Employment on-costs	927	913
Audit fee	26,600	26,086
Bad debts ^(d)	-	52
Loss on disposal on non-current assets	-	61
Other	7,000	-
Total other expenses	34,527	27,112
Total other expenditure	2,386,195	2,447,085

- (a) Relates to the provision of human resources services by the Department of the Premier and Cabinet and services provided by the State Solicitors Office (Note 4.1).

- (b) Includes expenses relating to motor vehicles, parking and utilities.
- (c) Relates to the notional value of the depreciation of the fit-out of office accommodation provided through Building Management and Works (Department of Finance Note 4.1).
- (d) Relates to the write-off of irrecoverable salary overpayments (Note 9.7(a)).

Supplies and services expense:

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.

Rental expenses include:

- i) Short-term leases with a lease term of 12 months or less;
- ii) Low-value leases with an underlying value of \$5,000 or less; and
- iii) Variable lease payments, recognised in the period in which the event or condition that triggers those payments occurs.

Repairs, maintenance and cleaning costs are recognised as expenses as incurred.

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

4. Our funding sources

How we obtain our funding

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

	Notes	2021 \$	2020 \$
Income from State Government	4.1	8,540,930	9,129,024
Other revenue	4.2	2,497,745	2,492,550

4.1 Income from State Government

	Notes	2021 \$	2020 \$
Appropriation received during the period			
Service appropriation ^(a)			
- Recurrent		7,376,000	8,006,000
Special Acts		678,000	678,000
		8,054,000	8,684,000
Resources received from other public sector entities			
Services received free of charge from other State government agencies during the period: ^(b)			
State Solicitor's Office	3.2	16,754	-
Department of the Premier and Cabinet	3.2	177,461	151,405
Department of Finance	3.2	292,715	293,619
Total services received		486,930	445,024
Total income from State Government		8,540,930	9,129,024

- (a) **Service Appropriations** are recognised as revenues at fair value of consideration received in the period in which the Office gains control of the appropriated funds. The Office 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.

Service appropriations fund the net cost of services delivered (as set out in note 2). Appropriation revenue comprises the following:

- Cash component; and
- A receivable (asset).

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

4.2 Other revenue

	2021 \$	2020 \$
Other revenue - general	45,987	70,925
Other recoup ^(a)	2,451,758	2,421,625
	2,497,745	2,492,550

- (a) Includes recoup for the costs of the functions of the Energy and Water Ombudsman Western Australia (see Note 2.1) and services of the Office in relation to complaints involving the Indian Ocean Territories (see Note 9.8).

Revenue is recognised and measured at the fair value of consideration received or receivable.

5. Key assets

Assets the Office utilises for economic benefit or service potential

This section includes information regarding the key assets the Office 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	2021 \$	2020 \$
Plant and equipment	5.1	119,180	109,517
Right-of-use assets	5.2	29,600	48,367
Intangibles	5.3	320,742	208,190
Total key assets		469,522	366,074

5.1 Plant and equipment

	Furniture and Fittings	Computer Hardware	Office Equipment	Communications	Total
Year ended 30 June 2021	\$	\$	\$	\$	\$
1 July 2020					
Gross carrying amount	6,814	364,505	41,875	213,050	626,244
Accumulated depreciation	(5,621)	(282,662)	(15,394)	(213,050)	(516,727)
Carrying amount at start of period	1,193	81,843	26,481	-	109,517
Additions	-	51,148	-	-	51,148
Other disposals	-	-	-	-	-
Depreciation	(681)	(33,928)	(6,875)	-	(41,485)
Carrying amount at 30 June 2021	512	99,063	19,606	-	119,180
Gross carrying amount	6,814	371,687	41,875	213,050	633,426
Accumulated depreciation	(6,302)	(272,624)	(22,270)	(213,050)	(514,246)

Initial recognition

Items of 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 plant and equipment costing less than \$5,000 are immediately expensed direct to the Statement of Comprehensive Income (other than where they form part of a group of similar items which are significant in total).

Subsequent measurement

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

5.1.1 Depreciation and impairment

Charge for the period

	2021	2020
	\$	\$
<u>Depreciation</u>		
Furniture fixtures and fittings	681	681
Computer hardware	33,928	29,874
Office equipment	6,875	7,809
Total depreciation for the period	41,485	38,364

As at 30 June 2021 there were no indications of impairment to plant and equipment.

All surplus assets at 30 June 2021 have either been classified as assets held for sale or have been written-off.

Please refer to note 5.3 for guidance in relation to the impairment assessment that has been performed for intangible assets.

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 asset's value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different asset classes for current and prior years are included in the table below:

Asset	Useful life: years
Furniture and fittings	10 years
Plant and machinery	10 years
Computer hardware	3 years
Office equipment	5 years
Motor vehicles	3 - 5 years
Software ^(a)	3 years

(a) Software that is integral to the operation of related hardware.

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.

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.

5.2 Right-of-use assets

	2021 \$	2020 \$
Right-of-use assets		
Vehicles	29,600	48,367
Net carrying amount at 30 June	29,600	48,367

Additions to right-of-use assets during the 2021 financial year were \$1,612 (2020: \$68,354).

Initial recognition

Right-of-use assets are measured at cost including the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received;
- Any initial direct costs; and
- Restoration costs, including dismantling and removing the underlying asset.

The Office has elected not to recognise right-of-use assets and lease liabilities for short-term leases (with a lease term of 12 months or less) and low value leases (with an underlying value of \$5,000 or less). Lease payments associated with these leases are expensed over a straight-line basis over the lease term.

Subsequent measurement

The cost model is applied for subsequent measurement of right-of-use assets, requiring the asset to be carried at cost less any accumulated depreciation and accumulated impairment losses and adjusted for any re-measurement of lease liability.

Depreciation and impairment of right-of-use-assets

Right-of-use assets are depreciated on a straight line basis over the shorter of the asset's useful life and the lease term. If the Office is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Right-of-use assets are tested for impairment when an indication of impairment is identified. The policy in connection with testing for impairment is outlined in note 5.1.1.

The following amounts relating to leases have been recognised in the statement of comprehensive income:

	2021	2020
	\$	\$
Vehicles	20,378	19,987
Total right-of-use depreciation for the period	20,378	19,987
Lease interest expense	827	1,188

Total cash outflow for leases in 2021 was \$20,789 (2020: \$20,345).

The Office's leasing activities and how these are accounted for:

The Office has leases for vehicles.

The Office has also entered into a Memorandum of Understanding Agreements (MOU) with the Department of Finance for the leasing of office accommodation. These are not recognised under AASB 16 because of substitution rights held by the Department of Finance and are accounted for as an expense as incurred.

The Office recognises leases as right-of-use assets and associated lease liabilities in the Statement of Financial Position.

The corresponding lease liabilities in relation to these right-of-use assets have been disclosed in note 7.1.

5.3 Intangible assets

	Computer Software	Total
Year ended 30 June 2021	\$	\$
1 July 2020		
Gross carrying amount	1,911,974	1,911,974
Accumulated amortisation	(1,703,784)	(1,703,784)
Carrying amount at start of period	208,190	208,190
Additions	271,998	271,998
Amortisation	(159,447)	(159,447)
Carrying amount at 30 June 2021	320,742	320,742

Initial recognition

Intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

Acquisitions of intangible assets costing \$5,000 or more and internally generated intangible assets costing \$50,000 or more that comply with the recognition criteria as per AASB 138.57 (as noted below), are capitalised.

Costs incurred below these thresholds are immediately expensed directly to the Statement of Comprehensive Income.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following are demonstrated:

- (a) the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- (b) an intention to complete the intangible asset, and use or sell it;
- (c) the ability to use or sell the intangible asset;
- (d) the intangible asset will generate probable future economic benefit;
- (e) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- (f) the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Costs incurred in the research phase of a project are immediately expensed.

Subsequent measurement

The cost model is applied for subsequent measurement of intangible assets, requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

5.3.1 Amortisation and impairment

Charge for the period

	2021	2020
	\$	\$
Computer software	159,447	146,307
Total amortisation for the period	159,447	146,307

As at 30 June 2021 there were no indications of impairment to intangible assets.

The Office held no goodwill or intangible assets with an indefinite useful life during the reporting period. At the end of the reporting period there were no intangible assets not yet available for use.

Amortisation of finite life intangible assets is calculated on a straight line basis at rates that allocate the asset's value over its estimated useful life. All intangible assets controlled by the Office have a finite useful life and zero residual value. Estimated useful lives are reviewed annually.

The estimated useful lives for each class of intangible asset are:

Asset	Useful life: years
Computer software ^(a)	3 years

(a) Software that is not integral to the operation of any related hardware.

Impairment of intangible assets

Intangible assets with indefinite useful lives are tested for impairment annually or when an indication of impairment is identified.

The policy in connection with testing for impairment is outlined in note 5.1.1.

6. Other assets and liabilities

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

	Notes	2021	2020
		\$	\$
Receivables	6.1	129,342	101,137
Amounts receivable for services	6.2	2,216,000	2,190,000
Other current assets	6.3	-	30,127
Payables	6.4	192,081	230,807
Contract liabilities	6.5	112,967	37,866

6.1 Receivables

	2021	2020
	\$	\$
<u>Current</u>		
Receivables	58,581	92,831
GST receivable	52,832	-
Purchased leave receivable	17,930	8,306
Total current	129,342	101,137

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

6.2 Amounts receivable for services (Holding Account)

	2021	2020
	\$	\$
Current	208,000	208,000
Non-current	2,008,000	1,982,000
Balance at end of period	2,216,000	2,190,000

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 or payment of leave liability.

Amounts Receivable for services are considered not impaired (i.e. there is no expected credit loss of the holding accounts).

6.3 Other assets

	2021	2020
	\$	\$
<u>Current</u>		
Prepayments	-	30,127
Total current	-	30,127
Balance at end of period	-	30,127

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

	2021 \$	2020 \$
Current		
Trade payables	-	44,560
Accrued expenses	54,971	71,264
Accrued salaries	122,002	87,608
Accrued superannuation	12,092	10,262
GST payable	-	17,102
Other payables	3,016	11
Total current	192,081	230,807
Balance at end of period	192,081	230,807

Payables are recognised at the amounts payable when the Office 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 Office considers the carrying amount of accrued salaries to be equivalent to its fair value.

6.5 Contract liabilities

	2021 \$	2020 \$
Current		
Software contracts ^(a)	55,106	34,756
Total current	55,106	34,756
Non-current		
Software contracts ^(a)	57,861	3,110
Total non-current	57,861	3,110
Balance at end of period	112,967	37,866

(a) Software contracts for finance, records management, case management and email system that are over a 2 year period.

7. Financing

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

	Notes
Lease liabilities	<u>7.1</u>
Finance costs	<u>7.2</u>
Cash and cash equivalents	<u>7.3</u>
Commitments	<u>7.4</u>
Capital commitments	<u>7.4.1</u>

7.1 Lease liabilities

	Notes	2021 \$	2020 \$
<u>Lease liabilities</u>			
Current		18,802	20,968
Non-current		11,217	28,228
		30,019	49,196

Initial measurement

The Office measures a lease liability, at the commencement date, at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Office uses the incremental borrowing rate provided by Western Australia Treasury Corporation.

Lease payments included by the Office as part of the present value calculation of lease liability include:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate initially measured using the index or rate at the commencement date;
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options (where these are reasonably certain to be exercised);
- Payments for penalties for terminating a lease, where the lease term reflects the agency exercising an option to terminate the lease.

The interest on the lease liability is recognised in profit or loss over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Lease liabilities do not include any future changes in variable lease payments (that depend on an index or rate) until they take effect, in which case the lease liability is reassessed and adjusted against the right-of-use asset.

Periods covered by extension or termination options are only included in the lease term by the Office if the lease is reasonably certain to be extended (or not terminated).

Variable lease payments, not included in the measurement of lease liability, that are dependent on sales are recognised by the Office in profit and loss in the period in which the condition that triggers those payments occurs.

This section should be read in conjunction with note 5.2.

Subsequent measurement

Lease liabilities are measured by increasing the carrying amount to reflect interest on the lease liabilities; reducing the carrying amount to reflect the lease payments made; and remeasuring the carrying amount at amortised cost, subject to adjustments to reflect any reassessment or lease modifications.

7.2 Finance costs

	2021 \$	2020 \$
Finance costs		
Lease interest expense	827	1,188
Total finance costs	827	1,188

'Finance cost' includes the interest component of lease liability repayments, and the increase in financial liabilities and non-employment provisions due to the unwinding of discounts to reflect the passage of time.

7.3 Cash and cash equivalents

	Notes	2021 \$	2020 \$
<u>Current</u>			
Cash and cash equivalents		367,489	952,631
Restricted cash and cash equivalents			
– Indian Ocean Territories	9.8	10,398	35,808
<u>Non-current</u>			
Restricted cash and cash equivalents			
– Accrued salaries suspense account ^(a)		170,773	127,529
Balance at end of period		548,660	1,115,968

(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.

The accrued salaries suspense account consists of amounts paid annually, from agency 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.

7.4. Commitments

All commitments are presented inclusive of GST.

7.4.1 Capital commitments

	2021	2020
	\$	\$
Capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements, are payable as follows:		
Within 1 year ^(a)	19,487	89,764
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-
	19,487	89,764

- (a) Due to the timing of the replacement of Office assets, some intangible computer hardware assets were committed in 2020-21 but not paid until 2021-22.

8. Financial instruments and Contingencies

	Note
Financial instruments	<u>8.1</u>
Contingent assets and liabilities	<u>8.2</u>

8.1 Financial instruments

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

	2021	2020
	\$	\$
<u>Financial Assets</u>		
Cash and cash equivalents	548,660	1,115,968
Financial assets at amortised cost ^(a)	2,292,510	2,291,137
<u>Financial Liabilities</u>		
Financial liabilities at amortised cost ^(b)	305,048	251,571

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

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 the best estimate.

The Office is not aware of any contingent liabilities or contingent assets at the end of the reporting period.

9. Other disclosures

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

	Note
Events occurring after the end of the reporting period	<u>9.1</u>
Initial application of Australian Accounting Standards	<u>9.2</u>
Key management personnel	<u>9.3</u>
Related party transactions	<u>9.4</u>
Remuneration of auditors	<u>9.5</u>
Equity	<u>9.6</u>
Supplementary financial information	<u>9.7</u>
Indian Ocean Territories	<u>9.8</u>
Explanatory statement	<u>9.9</u>

9.1 Events occurring after the end of the reporting period

The Office is not aware of any event after the end of the reporting period that may have an impact on the financial statements.

9.2 Initial application of Australian Accounting Standards

The Office has adopted the following new Australian Accounting Standards in accordance with transitional provisions applicable to each standard:

AASB 1059 Service Concession Arrangements: Grantors

AASB 2018-5 Amendments to Australian Accounting Standards - Deferral of AASB 1059

AASB 2018-6 Amendments to Australian Accounting Standards Definition of a Business

AASB 2018-7 Amendments to Australian Accounting Standards Definition of Material

AASB 2019-1 Amendments to Australian Accounting Standards References to Conceptual Framework

AASB 2019-2 Amendment to Australian Accounting Standards - Implementation of AASB 1059

AASB 2019-3 Amendment to Australian Accounting Standards - Interest Rate Benchmark Reform

AASB 2019-5 Amendment to Australian Accounting Standards - Disclosure of the Effect of New IFRS Standards Not Yet Issued in Australia

The Office considers these standards do not have a material impact on the Office.

9.3 Key management personnel

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

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

Compensation band (\$)	2021	2020
110,001 - 120,000	-	1
120,001 - 130,000	-	-
150,001 - 160,000	1	-
170,001 - 180,000	-	1
180,001 - 190,000	1	1
190,001 - 200,000	2	1
200,001 - 210,000	1	3
210,001 - 220,000	2	-
230,001 - 240,000	-	1
250,001 - 260,000	1	-
410,001 - 420,000	-	-
420,001 - 430,000	-	1
460,001 - 470,000	1	-
	2021	2020
	\$	\$
Short-term employee benefits	1,698,422	1,582,900
Post-employment benefits	185,794	181,774
Other long-term benefits	197,502	189,629
Total compensation of senior officers	2,081,718	1,954,303

Total compensation includes the superannuation expense incurred by the Office in respect of senior officers.

9.4 Related party transactions

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

Related parties of the Office include:

- All cabinet ministers and their close family members, and their controlled or jointly controlled entities;
- All senior officers and their close family members, and their controlled or jointly controlled entities;

- Other agencies and statutory authorities, including related bodies, that are included in the whole of government consolidated financial statements (i.e. wholly-owned public sector entities);
- Associates and joint ventures of a wholly-owned public sector entity; and
- The Government Employees Superannuation Board (GESB).

Material transactions with other related parties

Other than superannuation payments to GESB (Note 3.1 (a)) 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 Remuneration of auditors

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

	2021 \$	2020 \$
Auditing the accounts, financial statements, controls, and key performance indicators	26,600	26,086
	26,600	26,086

9.6 Equity

	2021 \$	2020 \$
Contributed equity		
Balance at start of period	1,227,000	1,206,000
<i>Contributions by owners</i>		
Capital appropriation	19,000	21,000
Total contributions by owners	19,000	21,000
Balance at end of period	1,246,000	1,227,000

	2021 \$	2020 \$
Accumulated surplus		
Balance at start of period	(1,071)	(290,466)
Result for the period	(674,615)	289,395
Balance at end of period	(675,686)	(1,071)
Total equity at end of period	570,314	1,225,929

9.7 Supplementary financial information

(a) Write-offs

During the financial year, \$0 (2020: \$52) was written off under the authority of:

	2021 \$	2020 \$
The Accountable Authority	-	52
	-	52

(b) Losses through theft, defaults and other causes

There were no losses of public money and public and other property during the period.

(c) Gifts of public property

There were no gifts of public property provided by the Office during the period.

9.8 Indian Ocean Territories

The Indian Ocean Territories Reimbursement Fund (**the Fund**) was established in March 1996 and became operational in July 1996. The purpose of the Fund is to meet the cost of the services of the Office in relation to complaints involving the Indian Ocean Territories. Any balance of the Fund at the end of the financial year is included in the Office's Operating Account. Any under or over expenditure at the end of the reporting period, for example, due to fluctuations in complaint numbers, is refunded or recouped from the Commonwealth Department of Infrastructure, Regional Development and Cities (**DIRD**) in the subsequent reporting period. Where, by agreement with DIRD, any funds are retained for expenditure in the next year, this is treated as restricted cash. The figures presented below for the Fund have been prepared on a cash basis.

	2021 \$	2020 \$
Opening Balance	35,808	7,487
Receipts	33,126	59,497
Payments	(58,536)	(31,176)
Closing Balance	10,398	35,808

9.9 Explanatory statement

All variances between estimates (original budget) and actual results for 2021, and between the actual results for 2021 and 2020 are shown below.

Narratives are provided for key major variances which are greater than 10% and 1% of Total Cost of Services for the Statements of Comprehensive Income and Statement of Cash Flows, and are greater than 10% and 1% of Total Assets for the Statement of Financial Position.

9.9.1 Statement of Comprehensive Income Variances

	Variance Note	Estimate 2021 \$	Actual 2021 \$	Actual 2020 \$	Variance between estimate and actual \$	Variance between actual results for 2021 and 2020 \$
Statement of Comprehensive Income						
Employee benefits expense	1	7,934,000	9,104,958	8,679,248	1,170,958	425,710
Supplies and services	1	1,993,000	937,580	944,727	(1,055,420)	(7,147)
Depreciation and amortisation expense		234,000	221,310	204,658	(12,690)	16,652
Accommodation expenses	2	913,000	1,414,088	1,475,246	501,088	(61,158)
Finance costs		1,000	827	1,188	(173)	(361)
Other expenses	2	469,000	34,527	27,112	(434,473)	7,415
Total cost of services		11,544,000	11,713,290	11,332,179	169,290	381,111
Income						
<i>Revenue</i>						
Other revenue		2,672,000	2,497,745	2,492,550	(174,255)	5,195
Total revenue		2,672,000	2,497,745	2,492,550	(174,255)	5,195
Total income other than income from State Government		2,672,000	2,497,745	2,492,550	(174,255)	5,195
NET COST OF SERVICES		8,872,000	9,215,545	8,839,629	343,545	375,916
Income from State Government						
Service appropriation		8,054,000	8,054,000	8,684,000	-	(630,000)
Services received free of charge		440,000	486,930	445,024	46,930	41,906
Total income from State Government		8,494,000	8,540,930	9,129,024	46,930	(588,094)
SURPLUS/(DEFICIT) FOR THE PERIOD		(378,000)	(674,615)	289,395	(296,615)	(964,010)
OTHER COMPREHENSIVE INCOME		-	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(378,000)	(674,615)	289,395	(296,615)	(964,010)

Major Estimate and Actual (2021) Variance Narratives

- 1) The variance in employee benefits expenses and supplies and services expenses is primarily due to some expenses, included in supplies and services for the estimate, being included in employee benefits for the actual.
- 2) The variance in accommodation expenses and other expenses is primarily due to some expenses, included in other expenses for the estimate, being included in accommodation expenses for the actual.

9.9.2 Statement of Financial Position Variances

	Variance Note	Estimate 2021 \$	Actual 2021 \$	Actual 2020 \$	Variance between estimate and actual \$	Variance between actual results for 2021 and 2020 \$
Statement of Financial Position						
ASSETS						
Current Assets						
Cash and cash equivalents	3,A	574,000	367,489	952,631	(206,511)	(585,142)
Restricted cash and cash equivalents		36,000	10,398	35,808	(25,602)	(25,410)
Other current assets	4	86,000	-	30,127	(86,000)	(30,127)
Receivables	5	344,000	129,342	101,137	(214,658)	28,205
Amounts receivable for services		208,000	208,000	208,000	-	-
Total Current Assets		1,248,000	715,229	1,327,703	(532,771)	(612,474)
Non-Current Assets						
Restricted cash and cash equivalents	B	148,000	170,773	127,529	22,773	43,244
Amounts receivable for services		2,008,000	2,008,000	1,982,000	-	26,000
Plant and equipment		131,000	119,180	109,517	(11,820)	9,663
Intangible assets	6,C	208,000	320,742	208,190	112,742	112,552
Right-of-use assets		-	29,600	48,367	29,600	(18,767)
Total Non-Current Assets		2,495,000	2,648,295	2,475,603	153,295	172,692
TOTAL ASSETS		3,743,000	3,363,524	3,803,306	(379,476)	(439,782)
LIABILITIES						
Current Liabilities						
Payables	5,D	359,000	192,081	230,807	(166,919)	(38,726)
Employee related provisions		1,850,000	1,898,938	1,741,537	48,938	157,401
Lease liabilities		21,000	18,802	20,968	(2,198)	(2,166)
Contract liabilities	7	116,000	55,106	34,756	(60,894)	20,350
Total Current Liabilities		2,346,000	2,164,927	2,028,068	(181,073)	136,859
Non-Current Liabilities						
Employee related provisions		517,000	559,205	517,971	42,205	41,234
Lease liabilities		10,000	11,217	28,228	1,217	(17,011)
Contract liabilities	7,E	3,000	57,861	3,110	54,861	54,751
Total Non-Current Liabilities		530,000	628,283	549,309	98,283	78,974
TOTAL LIABILITIES		2,876,000	2,793,210	2,577,377	(82,790)	215,833
NET ASSETS		867,000	570,314	1,225,929	(296,686)	(655,615)
EQUITY						
Contributed equity		1,245,000	1,246,000	1,227,000	1,000	19,000
Accumulated surplus/(deficit)		(378,000)	(675,686)	(1,071)		
TOTAL EQUITY		867,000	570,314	1,225,929	(296,686)	(655,615)

Major Estimate and Actual (2021) Variance Narratives

- 3) The variance in cash and cash equivalents is primarily due to work associated with the planning and development of a legislated reportable conduct scheme for Western Australia. A portion of the approved one-off funding provided in 2019-20 was carried over to 2020-21 and the work was concluded using internal funds.
- 4) The variance in other current assets is primarily due to the Office having no actual prepayments in 2020-21.
- 5) The variance in receivables and payables is primarily due the Commonwealth Paid Parental Leave being included separately in both the receivables and payables for the estimate, and being netted off in the actual.

- 6) The variance in intangible assets is primarily due to the timing of asset replacement which fluctuates year by year.
- 7) The variance in current and non-current contract liabilities is primarily due to the timing of licensing and maintenance contracts for intangible assets.

Major Actual (2021) and Comparative (2020) Variance Narratives

- A) The variance in cash and cash equivalents is primarily due to approved one-off payments in 2020-21, funded from internal funds, for work associated with the planning and development of a legislated reportable conduct scheme for Western Australia and to finalise the establishment of an expanded Child Death Review function.
- B) The variance in non-current restricted cash and cash equivalents is primarily due to an increase in funds held in the suspense account for the purpose of meeting the 27th pay every 11 years.
- C) The variance in intangible assets is due to the timing of asset replacement which fluctuates year by year.
- D) The variance in payables is due to the timing of trade payables which fluctuates year by year.
- E) The variance in non-current contract liabilities is primarily due to the timing of licensing and maintenance contracts for intangible assets.

9.9.3 Statement of Cash Flows Variances

	Variance Note	Estimate 2021 \$	Actual 2021 \$	Actual 2020 \$	Variance between estimate and actual \$	Variance between actual results for 2021 and 2020 \$
Statement of Cash Flows						
CASH FLOWS FROM STATE GOVERNMENT						
Service appropriation		7,820,000	7,820,000	8,449,000	-	(629,000)
Capital appropriations		19,000	19,000	21,000	-	(2,000)
Holding account drawdown		208,000	208,000	208,000	-	-
Net cash provided by State Government		8,047,000	8,047,000	8,678,000	-	(631,000)
CASH FLOWS FROM OPERATING ACTIVITIES						
Payments						
Employee benefits	8	(7,914,000)	(8,880,726)	(8,424,667)	(966,726)	(456,059)
Supplies and services	8,F	(1,240,000)	(712,710)	(876,794)	527,290	164,084
Accommodation	9	(913,000)	(1,121,373)	(1,181,627)	(208,373)	60,254
GST payments on purchases		(271,000)	(217,902)	(227,721)	53,098	9,819
GST payments to taxation authority		-	(101,690)	(112,220)	(101,690)	10,530
Finance costs		(1,000)	(827)	(1,188)	173	361
Other payments	9	(782,000)	(26,086)	(26,136)	755,914	50
Receipts						
GST receipts on sales		271,000	250,971	248,442	(20,029)	2,529
GST receipts from taxation authority		-	215	79,383	215	(79,168)
Other receipts		2,672,000	2,497,734	2,492,550	(174,266)	5,184
Net cash used in operating activities		(8,178,000)	(8,312,394)	(8,029,978)	(134,394)	(282,416)
CASH FLOWS FROM INVESTING ACTIVITIES						
Payments						
Purchase of non-current assets		(208,000)	(281,126)	(245,737)	(73,126)	(35,389)
Net cash used in investing activities		(208,000)	(281,126)	(245,737)	(73,126)	(35,389)
CASH FLOWS FROM FINANCING ACTIVITIES						
Payments						
Principal elements of lease payments		(19,000)	(20,789)	(19,158)	(1,789)	(1,631)
Net cash used in financing activities		(19,000)	(20,789)	(19,158)	(1,789)	(1,631)
Net increase/(decrease) in cash and cash equivalents		(358,000)	(567,309)	383,127	(209,309)	(950,436)
Cash and cash equivalents at the beginning of the period		1,116,000	1,115,968	732,841	(32)	383,127
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		758,000	548,660	1,115,968	(209,340)	(567,308)

Major Estimate and Actual (2021) Variance Narratives

- 8) The variance in employee benefits payments and supplies and services payments is primarily due to some payments, included in supplies and services payments for the estimate, being included in employee benefits for the actual.
- 9) The variance in accommodation payments and other payments is primarily due to some payments, included in other payments for the estimate, being included in accommodation payments for the actual.

Major Actual (2021) and Comparative (2020) Variance Narratives

- F) The variance in supplies and services payments is primarily due to lower payments for insurance and the licensing and maintenance of intangible assets in 2020-21.