



DEPARTMENT OF THE LEGISLATIVE ASSEMBLY



ANNUAL REPORT 2014-2015



LEGISLATIVE ASSEMBLY OF THE NORTHERN TERRITORY

Office of the Clerk

The Hon Adam Giles, MLA
Chief Minister
Parliament House
DARWIN NT 0800

Dear Chief Minister

I am pleased to submit to you the 2014-15 annual report for the Department of the Legislative Assembly in accordance with the provisions of section 28 of the *Public Sector Employment and Management Act*. Pursuant to my responsibilities as the Accountable Officer under section 13 of the *Financial Management Act*, I advise to the best of my knowledge and belief:

- (a) proper records of all transactions affecting the agency are kept and the employees under my control observe the provisions of the *Financial Management Act*, the Financial Management Regulations and the Treasurer's Directions
- (b) procedures within this agency afford proper internal control and current descriptions of such procedures were recorded in accordance with the requirements of the *Financial Management Act*
- (c) no indication of fraud, malpractice, material breach of legislation or delegation, or major error in or omission from the accounts or records exists
- (d) in accordance with the *Financial Management Act*, the internal audit capacity was adequate and the results of the internal audits were reported to the Chief Executive Officer
- (e) the financial statements included in this report have been prepared from proper accounts and records and are in accordance with Treasurer's Directions, where appropriate and
- (f) all Employment Instructions issued by the Commissioner for Public Employment have been adhered to.

I have received advice from the Chief Executive of the Department of Corporate and Information Services, which performs a number of functions on behalf of this agency, that proper records are maintained in compliance with the *Financial Management Act*, Regulations and Treasurer's Directions.

Yours sincerely

A handwritten signature in blue ink, reading 'Michael Tatham'.

MICHAEL TATHAM

Clerk and Chief Executive

31 August 2015

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Clerk of the Legislative Assembly's Overview

The Department of the Legislative Assembly consists of a small cohesive group of professionals working to further parliamentary democracy in the Northern Territory through the support of elected Members of the Legislative Assembly, their staff, their electorate and liaison offices throughout the jurisdiction and who also maintain the most recognisable public building in the Northern Territory.

The reporting year coincided with the 40th anniversary of the first Legislative Assembly in 1974 and the opening of Parliament House in 1994. Both these milestones were celebrated at the 2014 Open Day which included a successful focus on the achievements of the past and a look forward to some of the challenges ahead. The Assembly welcomed back Members of that first Assembly from 1974 who participated in a panel discussion which was well attended and sparked significant interest.

Last year I reported on the work being undertaken by the Standing Orders Committee as their Secretary. I am pleased to report that the new Draft Standing Orders were completed and reported to the Committee during the year and will, in the next reporting period, be presented to the Assembly for consideration and possible adoption, depending on the will of the Members.

During the reporting period I have continued my visits to, and inspection of, electorate offices, as it is my intention to visit each electorate office every two years and see for myself what the working environment is for Members and their staff and to ensure that entitlements under the Remuneration Tribunal Determination are relevant and available so that Members are in the best position possible to serve their constituents. I have almost completed this cycle and by the 2016 election will have visited all 25 electorate offices and the additional liaison office for the Member for Stuart.

Electorate offices are a challenge to standardise because of the variables of the private rental market in different locations across the Northern Territory which is the source for our properties. A standard list of furnishings and equipment and a guide on floor size assists with equity and service on a level playing field, however there remain challenges with accessibility at some locations which will be pursued in the coming year.

During May 2014 the Assembly commenced its *Know Your Assembly* seminars in Darwin and undertook the first such seminar in Alice Springs which was well attended.

The *Know Your Assembly* seminars are designed to give approximately 30 attendees at a time an improved understanding of the role and functions of the Legislative Assembly of the Northern Territory with a focus on the interaction between the Executive Government and the Parliament. The seminars have been made available to public servants, legal practitioners, media professionals, lobbyists, industry groups, community sector professionals, lobbyists and senior students who can ask in depth questions about the Assembly, obtain a glimpse behind the scenes and the detail of how the Assembly works.

Work continued this year on the annual update of the Speaker's Determinations and the administration of Remuneration Tribunal Determination No 1 of 2013 (RTD) after the disallowance of RTD No 1 of 2014 during the early 2015 sittings of the Assembly. This required administrative adjustments to ensure the continued smooth delivery of entitlements and services and a recalibrating of anticipated changes to ensure Members receive the entitlements available to them at law. Changes to the underpinning legislation have seen a newly configured Tribunal undertake work on a new Determination for next year which was subject to consultation with senior officers of the Assembly. We look forward to working on the administration of the new RTD when it comes into effect.

As a result of the increase in the national security threat level from medium to a high level alert during the period, work was undertaken to enhance security at Parliament House including requiring more entrants to be screened upon entry. A new footpath was constructed adjacent to

Parliament House to enable officers parking at the rear of the building easy all-weather access to the security screening point at the front.

The Northern Territory is an active member of the Commonwealth Parliamentary Association and as a consequence of the regional rotation, a Northern Territory Member is now on the Executive Committee of the CPA and remains so for three years. The Member for Goyder, the Honourable Speaker is now one of three Australian Region Representatives for the Commonwealth Parliamentary Association and work was undertaken to support the Member in the role at the mid-year meeting during April and continues for the remainder of the term.

The Department remains subject to savings measures required by successive Governments over many years and I am pleased that the Department continues to make an effort to find savings. Our Cost Savings Working Group is an active participant in our corporate life and has made inroads to reduce costs related to telecommunications and hardware throughout the Department.

More than 450 functions were held at Parliament House during the period and the building remains a popular venue for a range of events.

The Office of the Clerk and the Table Office continue to support the Speaker with content for the regular Procedural Bulletin produced after each sitting period which contain precedents, rulings and an explanation of procedures.

Members were surveyed again this year against questions relating to Budget Paper 3 and the performance measures reported against annually. The survey results indicated a high level of satisfaction across most areas with the provision of Whole of Government shared ICT services remaining a challenge for some electorate offices due to their locations and access to the systems available.

Another interesting year has passed and the Department has acquitted itself well facing a range of challenges with more to be met in the coming year. I thank the Speaker and her staff for their professionalism and dedication to parliamentary practice and continue to encourage Members and their staff to make use of my office as a resource for all Members of the Legislative Assembly.



MICHAEL TATHAM

Clerk and Chief Executive

31 August 2015

Functions and Objectives of the Agency

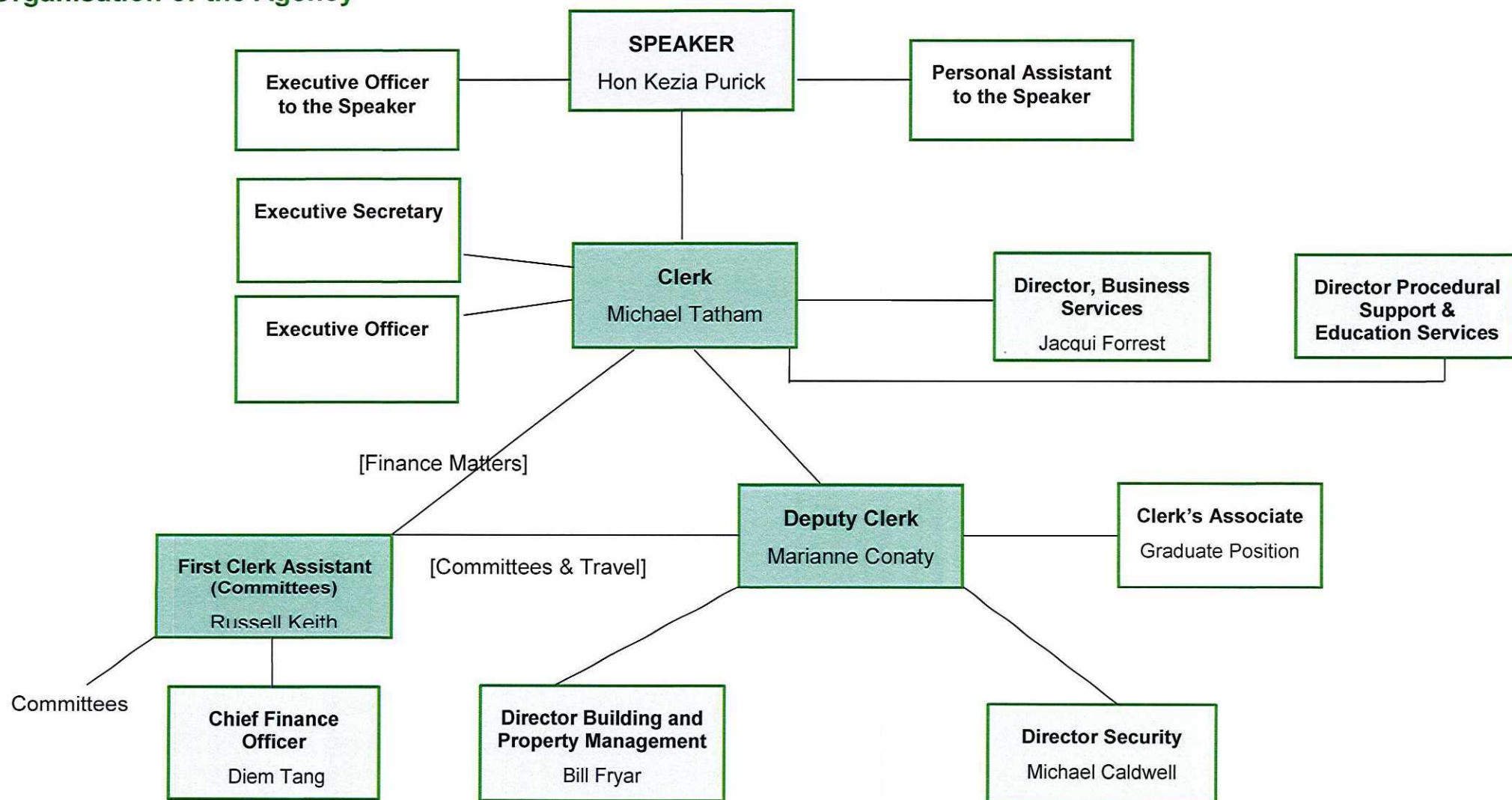
The function of the agency is to facilitate the operations of the Legislative Assembly to make laws for the peace, order and good government of the Northern Territory.

The objectives of the agency are to provide advice and services which support the Assembly, its Members and Committees and promote community engagement.

Legislation administered by the Agency

- *Assembly Members and Statutory Officers (Remuneration and Other Entitlements) Act*
- *Constitutional Convention (Election) Act*
- *Legislative Assembly (Disclosure of Interests) Act*
- *Legislative Assembly (Members' Code of Conduct and Ethical Standards) Act 2008*
- *Legislative Assembly (Powers and Privileges) Act*
- *Legislative Assembly (Security) Act*
- *Legislative Assembly Members (Miscellaneous Provisions) Act*
- *Legislative Assembly Members' Superannuation Contributions Act*
- *Legislative Assembly Members' Superannuation Fund Act*

Organisation of the Agency



Leadership and Board of Management

Primary responsibility for the Department's strategic leadership and management rests with the Board of Management, which develops strategic direction to support the Department's priorities. The Board of Management is the department's most senior decision making body with responsibility for:

- monitoring performance against objectives
- maintaining financial accountability
- ensuring people management and communication practices are effective, fair and equitable, and support corporate objectives.

The Board of Management is chaired by the Clerk and meets monthly. All members are responsible for ensuring that their staff are briefed on decisions and relevant issues. The DCIS ICT Manager and Speaker's Executive Officer provide monthly briefings to the Board of Management on priority issues.

MICHAEL TATHAM, Clerk and Chief Executive

Mr Tatham holds a Bachelor of Arts, Bachelor of Laws and Master of Laws from the University of Sydney. He first joined the Department in 2005 and has been Clerk of the Legislative Assembly since July 2013.

MARIANNE CONATY, Deputy Clerk

Ms Conaty holds Bachelors of Arts and Laws degrees, a Graduate Diploma in Legal Practice and an Executive Master of Public Administration. She joined the Legislative Assembly in 2013.

RUSSELL KEITH, First Clerk Assistant (Committees)

Mr Keith holds an Executive Master of Public Administration, Bachelor of Legal Studies (Hons) and a Bachelor of Arts (Hons). He joined the Legislative Assembly in 2010.

BEN HARRIS, Director Procedural Support and Education Services

Mr Harris holds qualifications in Management, Government Administration and Workplace Training and Assessment. He joined the Legislative Assembly in 2013.

BILL FRYAR, Director Building and Property Management

Mr Fryar holds a Master of Arts from Griffith University and joined the Legislative Assembly in 2013.

DIEM TANG, Chief Financial Officer

Mrs Tang holds a Bachelor of Business in Accounting and joined the Legislative Assembly in 2012.

JACQUI FORREST, Director Business Services

Ms Forrest holds an Associate Degree in Commerce and qualifications in Business and Contract Management. She has been with the Legislative Assembly since 2014.

MICHAEL CALDWELL, Director Security

Mr Caldwell has more than 10 years' experience in security management and risk mitigation and has worked with the federal Department of Human Services. He joined the Legislative Assembly in 2011.

Staff Establishment

The Department of the Legislative Assembly is the technical 'employer' of electorate office staff, which include contract Electorate Officers, Relief Electorate Officers, Electorate Officer Assistants and Electorate Liaison Officers. There is an FTE equivalent of 25 electorate officers with 29 people in these roles due to job share arrangements in three electorate offices, three part-time Liaison Officers¹, 25 part-time Electorate Officer Assistants² and 67 casual Relief Officers³. At 30 June 2014, the agency employed a total of 220 people (see table below). This establishment equates to 110 full-time equivalent positions.

Level	No. of Staff
Administration Officers	26
AO2	2
AO3	3
AO4	10
AO5	4
AO6	6
AO7	1
Executive Contracts	3
ECO5	1
ECO3	1
ECO1	1
Senior Administration	8
SAO1	4
SAO2	4
Hansard/Education Casuals	38
Members and Electorate Staff	145
Members of the Legislative Assembly	25
Electorate officers	29
Electorate Office Assistants and Liaison Officers.	24
Casual (Relief) Officers	67
Total	220

¹ Liaison Officers for Arafura and Daly are employed for 15 hours per week in Maningrida and Wadeye respectively; the Stuart Liaison Officer is employed for 30 hours per week in Katherine.

² EOAs are employed for eight hours per week.

³ Relief Officers are employed on a casual basis and do not work set hours but provide ad-hoc support as required to cover periods of leave.

Management and Staff Training

Sixteen DLA staff and three Electorate Office staff were supported with training and development between 1 July 2014 and 31 March 2015; 19 DLA staff and two electorate officers attended formal training courses or professional development including:

Conference/Training	No. Attendees
Australia and New Zealand Association of Clerks-at-the-Table Professional Development	3
Australasian Parliamentary Educators Conference	1
Australasian Council of Public Accounts Committees Conference	1
Australasian Study of Parliament Group Annual Conference	1
Bachelor of Arts	1
Constitutional Law Conference	1
Corporate Governance Professional Development	1
Commons Professional Development Programme	1
Certified Practicing Accountant Training	1
Introduction to Outlook	2
Merit Selection	2
Skill Path Women's Professional Development	1
Introduction to Excel	1
Fire Warden Training	3
Security Risk Management Training	1
Study Leave to pursue tertiary qualifications	4
Total	25

- The Clerk attended and presented papers at the 2014 Australasian Study of Parliament Group and the 2014 Presiding Officers and Clerks Conference. He also presented at workshops at the 2015 Australia and New Zealand Association of Clerks-at-the-Table (ANZACATT) Professional Development Seminar, Know Your Assembly Seminars and attended the 2015 Constitutional Law Conference and the Association of Clerks-at-the-Table, Canada Professional Development Seminar.
- The Deputy Clerk attended and presented a paper at the ANZACATT Professional Development Seminar.
- The First Clerk Assistant attended and presented a paper at the ANZACATT Professional Development Seminar and attended the United Kingdom House of Commons Professional Development Programme at Westminster in London. The Programme gives senior officers from parliaments around the Commonwealth an understanding of the operation of the House of Commons and was also attended by parliamentary staff from Alberta, Kenya, Namibia and Saskatchewan.
- Two employees were supported financially and three employees were supported with paid study leave to pursue tertiary qualifications.
- Expenditure on professional development during the reporting period was \$6 645 for training and study and \$4 069 for conference attendance and participation.

Agency Operations

Office of the Clerk

The Office of the Clerk has two roles: the first is to provide procedural advice and support to the Speaker and Members of the Legislative Assembly; the second is to provide executive leadership of the Department of the Legislative Assembly.

Challenges during the reporting period:

- preparing for retrospective implementation of a Remuneration Tribunal Determination which was ultimately disallowed by the Assembly
- providing accurate administrative procedures in support of entitlements introduced by the Remuneration Tribunal Determination
- maintaining services and standards within tight financial parameters
- strengthening Commonwealth Parliamentary Association (CPA) related activities such as the Twinning Program with the island nation of Niue.

Achievements during the reporting period:

- approval of draft Standing Orders from the Standing Orders Committee
- successfully retiring the former Member for Casuarina and inducting the new Member for Casuarina
- ongoing support for the Australian Region Representative of the Commonwealth Parliamentary Association (CPA)
- meeting tabling and reporting requirements of the Remuneration Tribunal Determination
- production of Speakers Procedural Bulletins
- support for the Speaker during sittings of the Assembly.

Procedural Support and Education Services

Procedural Support and Education Services is responsible for the provision of administrative and procedural support and advice to Members during Sittings, producing parliamentary documentation and records and managing related databases, and developing and managing parliamentary information, education and community awareness programmes.

Challenges during the reporting period:

- developing a sustainable outreach programme that ensures remote communities have access to parliamentary education programmes
- planning for the replacement and ongoing support of key software platforms for Hansard Recording and Lotus Notes software that are approaching end-of-life
- recruitment and retention of suitably trained Hansard typists and sub-editors to meet sitting day needs.

Achievements during the reporting period:

- implementation of *Know Your Assembly* Public Sector seminars to develop Public Servants understanding of the procedural and legislative processes of the Legislative Assembly
- commenced development of on-line virtual education resources to support remote and regional education and awareness programs
- developed and trialled alternative staffing models within the Hansard Unit aimed at reducing organisational staffing risks.

Participants in Parliamentary Education Services Programs

Program	Activity	Participants	Total
Public Tours		1543	
			1543
Schools Programs	Parliament House Tours	2224	
	Bombing of Darwin Tours	316	
	Role Plays	994	
	Step Up Be Heard	55	
	Outreach Programs	699	
			4288
Special Events	Commonwealth Week	468	
	Careers in Law Forum	84	
	YMCA Youth Parliament	17	
			569
Adult Education	Democracy in the NT	92	
	Know Your Assembly	264	
	Adult Student tours	221	
	Community/Organisation Tours	212	
			789
Parliament	Open Day	450	
Promotions	Induction Tours	16	
	Government Dept. staff tours	16	
	Special tours	5	
	General tours	19	
			506
TOTAL			7695

Parliamentary Legislation Statistics

	Government	Opposition	Independent	Total
<i>Brought forward 1 July 2014</i>	7	-	-	7
Introduced	43	2		45
Negatived		2		2
Passed	45			45
Acts Assented to	43			43
<i>Carried forward 30 June 2015</i>	5			5

	2014 - 2015	2013 - 14
Total sitting hours	264.52	312.17
Average sitting day hours	8.53	8.40
Number of sitting days	31	37
Number of bills passed	45	44
Total questions asked	491	554
Total papers tabled	447	524

Business Support Services

Business Support Services deliver services to Members of the Assembly including procurement, human resources, business support, information management and information and communication technology strategies.

The Department of Corporate and Information Services (DCIS) oversees outsourced whole-of-government Information and Communication Technology (ICT) service contracts and provide an ICT Service Manager located at Parliament House to support the Legislative Assembly.

Challenges during the reporting period:

- addressing matters raised in the Members' satisfaction survey conducted in October 2014
- a dedicated ICT Service Centre (help desk) telephone number was implemented in 2014 to provide priority support to Members and Electorate Officers. Approximately 50 percent of electorate staff are utilising this dedicated line which identifies a need for further promotion of this service
- the wide-area network speed is slow at two electorate offices with investigation ongoing to find a resolution.

Achievements during the reporting period:

- development and publication of the Department of the *Legislative Assembly Record Retention and Disposal Schedule* (No. 2015/7)
- the 2014 OCPE *People Matter Survey* produced positive feedback from staff in relation to high standards of customer service, confidentiality, health and safety and ethical behaviour
- 14 electorate offices had their bandwidth increased to two megabytes resulting in twice or in some cases four (4) times faster connection speeds

- Cisco Anyconnect Virtual Private Network (VPN) has been rolled out to enable officers to remotely access the NTG Network. This replaced the previous Windows VPN solution which expired in October 2014
- the Parliamentary broadcast is now accessible on all smartphones, tablet devices and web browsers.

Committees Office

The Committees Office provides support to parliamentary committees to help them fulfil their functions. This includes administrative, research, drafting and procedural services.

Challenges during the reporting period:

- meeting the changing demands of the Assembly and its committees, including the creation of three new select committees
- developing options for the Assembly to make more effective use of parliamentary committees within the constraints of a small parliament
- increasing public understanding of and accessibility to parliamentary committees.

Achievements during the reporting period:

- supported completion of nine reports, including for inquiries into Foetal Alcohol Spectrum Disorder, options for leasing of the Port of Darwin, and the draft Fuel Price Disclosure Bill
- supported the regular operation of committees, including Estimates and Government Owned Corporations Scrutiny Committee hearings, scrutiny of subordinate legislation and review of the Auditor-General's reports
- provided public education material, including sessions on committees for *Know Your Assembly* seminars and information on getting involved in committee inquiries.

Committee	Meetings	Hearings & Visits	Briefings	Reports
Public Accounts	7	1	4	1
House	4			
Standing Orders	4			
Legal & Constitutional Affairs (includes Subordinate Legislation & Publications functions)	5		1	2
Estimates	6	5		1
Government Owned Corporations Committee	4	2		2
Select Committee on Foetal Alcohol Spectrum Disorder	13	7		1
Sessional Committee on The Territory's Energy Future	11	1	2	
Port of Darwin Select Committee	10	7	1	1
Ice Select Committee	4	2		
Fuel Price Disclosure Bill Scrutiny Committee	6	1		1
Total	74	26	8	9

Finance, Vehicles and Travel

The Finance Unit provides advice and services to the Speaker, the Department's Executive Management, and staff on financial management and manages all aspects of the Department's budget and financial reporting as well as ensuring compliance with financial governance and statutory reporting obligations. The unit also manages the administration of Members' travel and vehicle entitlements in accordance with the Remuneration Tribunal Determination.

Challenges during the reporting period:

- meeting the increasing number of complex reporting obligations relating to Member Travel and Financial Management
- compliance with the ongoing fiscal restraint targets.

Achievements during the reporting period:

- enhanced training provided to Electorate Officers on the Member Entitlements Travel System (METS)
- upgrades to Member Entitlements Travel System (METS) were implemented to better manage the Basic Allowance and to enable system generated reports in accordance with the Remuneration Tribunal and Speaker's Determinations
- maintained effective accounting and control procedures for the Agency
- implemented structural changes to enable greater consistency of delivery of services to Members from within a small business unit.

Building and Property Management

Building and Property Management has responsibility for the management of facilities at Parliament House and electorate offices throughout the Northern Territory. This includes:

- the Infrastructure Programme (minor new works and repairs and maintenance)
- leasing (both inwardly and outwardly)
- asset and property management
- service contract development and management
- parliamentary sound and vision system including broadcast
- artwork
- function management (in conjunction with the Office of the Speaker)
- management of on-site contractors.

Challenges during the reporting period:

- managing the Infrastructure Programme, the implementation of which is undertaken by a central service agency (Department of Infrastructure)
- managing the electorate office lease portfolio in partnership with the Department of Corporate and Information Services (NT Property Management)
- maintaining Parliament House as the Northern Territory's premier public building to a high standard.

Achievements during the reporting period:

- replacement of the mechanical and electrical door operating system to lift number one within Parliament House, completed three weeks ahead of schedule and within budget allocation
- replacement of the Honeywell security control system
- replacement of the Main Hall down-lights with contemporary LED equivalents
- installation of a new LPG isolation/shut-off valve
- set-up of a new CCTV security monitoring control room.

Security Services Unit

The Security Services Unit's primary objectives are to coordinate and manage the security and emergency management activities of the Department to ensure a safe and secure workplace is provided for Members, Staff, Parliament House building occupants and visitors.

Challenges during the reporting period:

- maintaining a high level of security services within the operational budget and identifying cost saving initiatives
- timely screening of large groups of visitors to Parliament House.

Achievements during the reporting period:

- all Electorate Offices received comprehensive security reviews
- improvements made to CCTV technology in Parliament House and the Parliamentary Precinct to enhance security monitoring
- a total of 160 307 visitors to Parliament House were screened by the security unit
- a comprehensive review of Emergency Management policies was completed to improve response rates to evacuation procedures.

Corporate Governance

The Department's corporate governance structure enables the delivery of outcomes by embracing the following elements:

- internal and external scrutiny
- leadership and management
- legislative compliance.
- performance and information management
- risk management
- strategic and business planning

Strategic and Business Planning

The Department's Strategic Plan 2013-16 is an important tool for communication of its strategic goals and annual operational priorities. The values and behaviour the agency expects of its staff are outlined in the plan, which is reviewed and updated annually to ensure strategies and priorities continue to reflect the challenges facing the agency.

The Strategic Plan focuses on six major goals:

- support the Assembly, its Committees and Members to fulfil their parliamentary responsibilities
- provide administrative support and services to Members
- ensure Parliament House and the parliamentary precinct is maintained to a high standard
- enhance accountability and governance
- maintain a highly skilled and committed work force
- engage with the community to promote participation in the parliamentary process.

The Strategic Plan goals are translated into operational goals in Business Plans at the Unit level and then into Workplace Partnership Plans for individual staff. Additional effort was also made in building reporting capabilities to facilitate effective monthly reporting with an annual planning and reporting calendar which is monitored by the Board of Management and the Audit Committee.

Risk Management

Corporate Governance requires integrated processes and practices to manage all significant risks associated with the agency operations and the achievement of its goals.

The Audit Committee relies on the business planning process to identify risks. Strategic business risk identification at the business unit level takes place during the annual business planning process. Risks, both strategic and operational, are identified and assessed through this process. Reporting on business performance is undertaken monthly and includes a requirement for review and reporting against identified risks as well as assessment of emerging risks, the results of which may be referred to the Board of Management.

Audit Committee

The Audit Committee assists the Clerk and Management Board to fulfil their corporate governance responsibilities. The committee's functions and responsibilities are to:

- manage a corporate governance framework for the Department, facilitating the risk assessment process and monitor strategic and business risks
- review the adequacy and effectiveness of internal control mechanisms established to mitigate identified risks
- review the adequacy of departmental policies, standards and business procedures
- review terms of reference and completed for audits and reviews to achieve the appropriate governance outcomes
- consider recommendations arising from all internal and external audits and reviews and facilitate the implementation and monitoring of action items arising from recommendations
- develop and review the three year audit coverage plan and progress of the annual internal audit work plan
- within the context of the Committee's primary objective, undertake any other functions and activities as determined from time to time by the Clerk.

The 2014-15 Committee membership comprised the Deputy Clerk, the Chief Finance Officer, the First Clerk Assistant, the Director of Building and Property Management, the Executive Officer, Office of the Clerk and an external member from the City of Darwin. The Clerk appoints members, including the Chair of the Committee.

- a) **The Committee will normally hold a minimum of three meetings each financial year.**

Internal and External Scrutiny

Internal audit reviews may cover all activities of the Department including all financial and non-financial policies and operations.

There were two external audits conducted by the Northern Territory Auditor-General's Office. Members' Travel during 2014 and Agency Compliance during 2014-15.

The Auditor-General's compliance audit found that the Department's accounting and control procedures provide reasonable assurance to the Clerk.

The Auditor-General identified eight matters arising from each of the compliance and the travel audits. Seven of those matters have been addressed and the outstanding matter of reviewing the Accounting and Property Manual has commenced and implementation is being monitored by the Audit Committee.

Performance Management

Work partnership plans (WPPs) are developed by individual employees and their managers, using unit business plans as the foundation for identification of goals, projects and training needs.

WPPs aim to ensure unit goals are achieved and employees are supported in reaching the goals and given feedback on their performance. WPPs also aim to allow employees to reach their full potential, achieve job satisfaction and maximise their opportunities and contribution. The process of giving and receiving feedback and identifying learning and organisational needs is an essential element of achieving outstanding performance.

As a result, the Department can link training to performance goals, enabling the prioritisation of training needs and investment for training resources. In the longer term, the process enhances the agency's succession planning.

Access to Information

The Northern Territory *Information Act* deals with how NTPS organisations collect, use and store government and personal information. Three applications for access to information under the Act were received and four applications were transferred (two completely and two in part) from other agencies during the reporting period. All applications were responded to.

Privacy

The Department's complies with the 10 Information Privacy Principles (IPPs) that appear in a Schedule to the *Information Act*. No privacy complaints were received during the reporting period.

Records and Archives Management

The Department operates in accordance with the requirements of the *Information Act*. Section 134 of the Act requires NTPS agencies to manage records in compliance with Northern Territory Government records management standards.

In June 2014 the Department finalised and published its Functional Records Disposal Schedule (No. 2015/7) that applies to records specific to the Legislative Assembly's function.

Effective records management underpins the access, correction and privacy components of the Act by ensuring the government records can be located, read and reproduced in response to requests.

Legislative Compliance

The Department is required to comply with the *Financial Management Act*, *Public Sector Employment and Management Act*, *Procurement Act* and other legislation, such as the *Anti-Discrimination Act*, *Superannuation Act* and the *Work Health and Safety (National Uniform Legislation) Act*.

Delegations are identified in two categories:

- Financial and Procurement Delegations
- Human Resource Delegations

An Agency Procurement Management Plan was developed and is reported against quarterly to ensure compliance with procurement legislation.

Work Health and Safety (WHS) Committee and Activities

There are three WHS committees chaired by the DLA Director of Security including:

- Work Health and Safety Steering Committee
- Parliament House WHS Committee with representatives from all building users
- Electorate Office WHS Committee with representatives from all parties

The WHS Steering Committee oversees the other committees and held four meetings during the reporting period. There were no significant issues or incidents, and the Steering Committee received no WHS complaints.

The WHS Steering Committee conducted an internal audit of Parliament House and identified no significant issues. The Steering Committee also reviewed fatigue management and implemented practical strategies for staff working late hours during sittings.

Member Satisfaction Survey 2014

Members were surveyed on 28 October 2014 against eleven key questions relating to outputs identified in Budget Paper 3 and performance measures which are reported against annually. Members were asked to indicate a score from 0 to 100% against each of the questions.

In relation to the annual Members' Satisfaction Survey, the Speaker's stated position at the 2014 Estimates Hearing was that all non-respondents are assumed to be an indication of 100% satisfaction across all criteria. Twelve responses were received from a possible 25. The new Member for Casuarina opted out of the survey having only served one week in the Assembly at the time. The result was substantially fewer than 2013 when 19 responses were returned to the Clerk.

Assembly Services

Every category of Assembly Services recorded an improvement on the 2013 survey result which may be attributed to a concentration of effort in improving the documents available to Members in the Chamber as well as the outcomes of the Stuart Education Review.

Member and Client Services

Every category of satisfaction with Member Services recorded an improvement on the 2013 survey results. Overall satisfaction with IT Services has increased to 90 percent from 78 percent in 2013 due to considerable work being done to assist in the area. DCIS has cooperated with the Department's efforts to improve these services. Government policy does not support the provision of resources for a dedicated Member ICT service at this time and this constraint remains a challenge which will be taken up by the Board of Management in an effort to improve outcomes for Members.

Building and Security Services

The level of satisfaction remains fairly static in this area, however at 95 percent and 96 percent it remains at an acceptably high level.

Member Satisfaction Survey 2014 – Results

Question	2014 Result	2013 Result
<i>Assembly Services</i>		
Satisfaction with Chamber Support and Advice	98%	93%
Satisfaction with Records and Transcripts produced	97%	82%
Satisfaction with Committee Meetings and Reports	96%	91%
Satisfaction with Education Programmes	97%	87%
<i>Member and Client Services</i>		
IT Services (provided by DCIS)	90%	78%
Travel Services	89%	82%
Human Resources Services (provided by DLA and DCIS)	89%	82%
Overall Level of Member Services	93%	83%
Timeliness of Service Delivery	91%	82%
<i>Building and Security Services</i>		
Building Amenity	95%	91%
Building Safety	96%	91%

DEPARTMENT OF THE LEGISLATIVE ASSEMBLY FINANCIAL REPORT

FINANCIAL STATEMENT OVERVIEW

For the Year Ended 30 June 2015

OVERVIEW

The 2014-15 financial statements and notes for the Department of the Legislative Assembly have been prepared on an accrual basis in accordance with the Northern Territory Financial Management Framework and the Australian Accounting Standards. The Department's financial performance in 2014-15 and comparatives for 2013-14 are reported in four financial statements: the Comprehensive Operating Statement, Balance Sheet, Statement of Changes in Equity and Cash Flow Statement.

Comprehensive Operating Statement

The comprehensive operating statement provides information on the financial performance of the Department for the financial year.

	2014-15 (\$'000)	2013-14 (\$'000)
Income	25,711	25,862
Expenses	28,798	29,557
Operating Surplus/(Deficit)	(3,087)	(3,696)
Other comprehensive income	(10,023)	-
Comprehensive Surplus/(Deficit)	(13,110)	(3,696)

For the year ended 30 June 2015, the Department reported an operating net deficit of \$3.087 million. However with a \$10.02 million decrease in the value of Parliament House's land, building and the Liberty Square land, the Department reported a comprehensive deficit of \$13.1 million. This is the result of the revaluation of Land and Building which is reflected in the Statement of Change in Equity. Further details are set out in Notes 10 and 12.

The \$3.087 million in operational deficit for the year was largely attributed to \$3.95 million in depreciation being unfunded expenditure under the annual appropriation that is non-cash in nature, offset by the under expenditure of \$0.69 million against the Repairs and Maintenance budget.

The Department's total income in 2014-15 was \$25.71 million, of which \$23.32 million was funded by the Northern Territory Parliamentary appropriation. The Department also recognises notional revenue of \$2.26 million for goods and services received free of charge, which includes Information Technology, Procurement and Payroll. This income is offset by notional expenditure to the same value.

DEPARTMENT OF THE LEGISLATIVE ASSEMBLY FINANCIAL REPORT

Expenditure of \$28.8 million in 2014-15 is \$0.76 million lower than the 2013-14 expenditure of \$29.56 million predominantly due to a \$0.69 million decrease in repairs and maintenance expenditure and a \$0.14 million decrease in purchases for goods and services expenditure.

Balance Sheet

The Balance Sheet provides a summary of the Department's financial position on assets, liabilities and equity as at 30 June 2015.

	2014-15	2013-14
	(\$'000)	(\$'000)
Assets	268,342	280,396
Liabilities	1,853	1,757
Equity	266,489	278,639

During 2014-15 the Department's total assets decreased by \$12.1 million from \$280.4 million to \$268.3 million primarily due to a decrease of \$13.6 million in the value of property, plant and equipment due to the revaluation of Parliament House offset by an increase of \$1.63 million in the cash position.

Cash Flow Statement

The Cash Flow Statement reflects total cash payments and receipts during the financial year.

	2014-15	2013-14
	(\$'000)	(\$'000)
Cash at start of year	2,355	1,361
Net movement	1,627	994
Cash at end of year	3,981	2,355

As at 30 June 2015, the Department's cash held of \$3.98 million was \$1.63 million more than at the end of 2013-14. The increase in cash held reflects the Department's under expenditure compared to budget estimates.


DEPARTMENT OF THE LEGISLATIVE ASSEMBLY
FINANCIAL REPORT

CERTIFICATION OF THE FINANCIAL STATEMENTS

We certify that the attached financial statements for the Department of the Legislative Assembly have been prepared from proper accounts and records in accordance with the prescribed format, the Financial Management Act and Treasurer's Directions.

We further state that the information set out in the Comprehensive Operating Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement, and notes to and forming part of the financial statements, presents fairly the financial performance and cash flows for the year ended 30 June 2015 and the financial position on that date.

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



MICHAEL TATHAM

Clerk of the Legislative Assembly

26 / 8 / 2015



DIEM TANG

Chief Financial Officer

26 / 8 / 2015

DEPARTMENT OF THE LEGISLATIVE ASSEMBLY
COMPREHENSIVE OPERATING STATEMENT

For the year ended 30 June 2015

	Note	2015 \$000	2014 \$000
INCOME			
Appropriation			
Output		23,315	23,493
Sales of goods and services		89	77
Goods and services received free of charge	4	2,259	2,207
Gain on disposal of assets	5	1	5
Other income		48	80
TOTAL INCOME	3	25,712	25,862
EXPENSES			
Employee expenses		14,877	14,889
Administrative expenses			
Purchases of goods and services	6	2,926	3,065
Repairs and maintenance		2,148	2,833
Property Management		2,643	2,574
Depreciation and amortisation	10, 11	3,945	3,988
Other administrative expenses ¹		2,259	2,209
TOTAL EXPENSES	3	28,798	29,558
NET SURPLUS/(DEFICIT)		(3,087)	(3,696)
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to net surplus/deficit			
Changes in asset revaluation surplus		(10,023)	-
TOTAL OTHER COMPREHENSIVE INCOME		(10,023)	-
COMPREHENSIVE RESULT		(13,110)	(3,696)

¹ Includes DCIS service charges.

The Comprehensive Operating Statement is to be read in conjunction with the notes to the financial statements.

DEPARTMENT OF THE LEGISLATIVE ASSEMBLY

BALANCE SHEET

As at 30 June 2015

	Note	2015 \$000	2014 \$000
ASSETS			
Current Assets			
Cash and deposits	7	3,981	2,355
Receivables	8	81	155
Inventories	9	15	15
Prepayments		18	26
Total Current Assets		4,095	2,551
Non-Current Assets			
Property, plant and equipment	10, 12	264,132	277,738
Heritage and cultural assets	11, 12	115	106
Total Non-Current Assets		264,247	277,844
TOTAL ASSETS		268,342	280,395
LIABILITIES			
Current Liabilities			
Deposits held		1	-
Payables	13	812	614
Provisions	14	814	896
Total Current Liabilities		1,627	1,510
Non-Current Liabilities			
Provisions	14	227	247
Total Non-Current Liabilities		227	247
TOTAL LIABILITIES		1,854	1,757
NET ASSETS		266,489	278,638
EQUITY			
Capital		158,814	157,853
Reserves	16	140,718	150,741
Accumulated funds		(33,042)	(29,956)
TOTAL EQUITY		266,489	278,638

The Balance Sheet is to be read in conjunction with the notes to the financial statements.

DEPARTMENT OF THE LEGISLATIVE ASSEMBLY

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2015

	Note	Equity at 1 July \$000	Comprehensive result \$000	Transactions with owners in their capacity as owners \$000	Equity at 30 June \$000
2014-15					
Accumulated Funds		29,956	3,087		33,042
Asset Revaluation Reserve	16	(150,741)	10,023		(140,718)
Capital – Transactions with Owners					
Equity injections					
Capital appropriation		(1,282)		(41)	(1,323)
Equity transfers in		(156,615)		(919)	(157,534)
Other equity injections		(350)			(350)
Equity withdrawals					
Capital withdrawal		393			393
		(157,854)		(960)	(158,814)
Total Equity at End of Financial Year		(278,639)	13,110	(960)	(266,489)
2013-14					
Accumulated Funds		26,260	3,696		29,956
Asset Revaluation Reserve	16	(150,741)			(150,741)
Capital – Transactions with Owners					
Equity injections					
Capital appropriation		(1,241)		(41)	(1,282)
Equity transfers in		(155,891)		(723)	(156,614)
Other equity injections		(350)			(350)
Equity withdrawals					-
Capital withdrawal		393			393
		(157,089)		(764)	(157,853)
Total Equity at End of Financial Year		(281,570)	3,696	(764)	(278,638)

The Statement of Changes in Equity is to be read in conjunction with the notes to the financial statements.

DEPARTMENT OF THE LEGISLATIVE ASSEMBLY
CASH FLOW STATEMENT

For the year ended 30 June 2015

	Note	2015 \$000	2014 \$000
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating Receipts			
Other Agency Receipts			
Government Transfer Receipts		645	616
GST Receipts		10	10
Operating Receipts		23,417	23,561
Other Operating Receipts		49	85
Total Operating Receipts		24,121	24,272
Operating Payments			
Payments to Employees		(13,954)	(13,608)
Superannuation Benefits Paid		(983)	(907)
Payments for Goods and Services		(6,994)	(8,132)
GST Payments		(593)	(672)
Total Operating Payments		(22,524)	(23,319)
Net Cash From/(Used in) Operating Activities	17	1,597	953
CASH FLOWS FROM INVESTING ACTIVITIES			
Investing Payments			
Purchases of assets		(10)	-
Total Investing Payments		(10)	-
Net Cash From/(Used in) Investing Activities		(10)	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Financing Receipts			
Equity injections			
Capital appropriation		41	41
Total Financing Receipts		41	41
Net Cash From/(Used in) Financing Activities		41	41
Net increase/(decrease) in cash held		1,627	994
Cash at beginning of financial year		2,355	1,361
CASH AT END OF FINANCIAL YEAR	7	3,981	2,355

The Cash Flow Statement is to be read in conjunction with the notes to the financial statements.

DEPARTMENT OF THE LEGISLATIVE ASSEMBLY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

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DEPARTMENT OF THE LEGISLATIVE ASSEMBLY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

1. OBJECTIVES AND FUNDING

The Department of the Legislative Assembly provides operational support and professional advice to Members of the Northern Territory Legislative Assembly and other clients, and promotes community understanding of the work of the Assembly and its committees.

The key functional responsibilities of the agency are:

- Facilitating the effective operation of the Assembly to ensure compliance with parliamentary practice, law and procedure;
- Managing the Parliament House facility;
- Providing administrative services and advice relating to Members' salaries, allowances and entitlements, Members' electorate offices and electorate office staff;
- Promoting community awareness and understanding of representative parliamentary democracy and the work of the Legislative Assembly; and
- Providing administrative and research support to the parliamentary standing and sessional committees.

The Department is predominantly funded by, and is dependent on, the receipt of Parliamentary appropriations. The financial statements encompass all funds through which the agency controls resources to carry on its functions and deliver outputs. For reporting purposes, outputs delivered by the agency are summarised into several output groups.

Note 3 provides summary financial information in the form of a Comprehensive Operating Statement by output group.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

The financial statements have been prepared in accordance with the requirements of the *Financial Management Act* and related Treasurer's Directions. The *Financial Management Act* requires the Department of the Legislative Assembly to prepare financial statements for the year ended 30 June based on the form determined by the Treasurer. The form of agency financial statements is to include:

- (i) a Certification of the Financial Statements;
- (ii) a Comprehensive Operating Statement;
- (iii) a Balance Sheet;
- (iv) a Statement of Changes in Equity;
- (v) a Cash Flow Statement; and
- (vi) applicable explanatory notes to the financial statements.

The financial statements have been prepared using the accrual basis of accounting, which recognises the effect of financial transactions and events when they occur, rather than when cash is paid out or received. As part of the preparation of the financial statements, all intra-agency transactions and balances have been eliminated.

DEPARTMENT OF THE LEGISLATIVE ASSEMBLY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

Except where stated, the financial statements have also been prepared in accordance with the historical cost convention.

The form of the agency financial statements is also consistent with the requirements of Australian Accounting Standards. The effects of all relevant new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are effective for the current annual reporting period have been evaluated. The Standards and Interpretations and their impacts are:

AASB 1031 Materiality (2013), AASB 2013-9 Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments, AASB 2014-1 Amendments to Australian Accounting Standards (Part C – Materiality)

Revised AASB 1031 is an interim standard that cross-references to other standards and the *Framework for the Preparation and Presentation of Financial Statements* that contain guidance on materiality. The standard does not impact the financial statements.

AASB 1055 Budgetary Reporting

AASB 1055 sets out budgetary reporting requirements for not-for-profit entities within the General Government Sector. The required disclosures comprise a separate note accompanying the financial statements.

AASB 2012-3 Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities [AASB 132]

The standard addresses inconsistencies in current practice when applying the offsetting criteria in AASB 132 *Financial Instruments: Presentation*. The standard does not impact the financial statements.

AASB 2014-1 Amendments to Australian Accounting Standards (Part A – Annual Improvements 2010-2012 and 2011-2013 Cycles)

Part A of the standard makes amendments to various Australian Accounting Standards (AASB 2, 3, 8, 9, 13, 116, 119, 124, 137, 138, 139, 140 & 1052 and Interpretation 129) arising from the issuance by IASB of *IFRSs Annual Improvements to IFRS 2010-2012 Cycle* and *Annual Improvements to IFRSs 2011-2013 Cycle*. The standard does not impact the financial statements.

b) Australian Accounting Standards and Interpretations Issued but not yet Effective

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective.

DEPARTMENT OF THE LEGISLATIVE ASSEMBLY
NOTES TO THE FINANCIAL STATEMENTS
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Standard/Interpretation	Summary	Effective for annual reporting periods beginning on or after	Impact on financial statements
AASB 9 <i>Financial Instruments (Dec 2014)</i> , AASB 2014-1 <i>Amendments to Australian Accounting Standards (Part E – Financial Instruments)</i> , AASB 2014-7 <i>Amendments to Australian Accounting Standards arising from AASB 9 (Dec 2014)</i>	The final version of AASB 9 brings together the classification and measurement, impairment and hedge accounting phases of the IASB's project to replace AASB 139 <i>Financial Instruments: Recognition and Measurement</i> . This version adds a new expected loss impairment model and limited amendments to classification and measurement for financial assets.	1 Jan 2018	The Department of the Legislative Assembly is unlikely to contain imparted financial instruments for the 2017-18 financial year.
AASB 2015-1 <i>Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle [AASB 1, 2, 3, 5, 7, 11, 110, 119, 121, 133, 134, 137 & 140]</i>	Amends a number of pronouncements as a result of the IASB's 2012-2014 annual improvements cycle.	1 Jan 2016	Disclosure requirements could change.
AASB 2015-2 <i>Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101 [AASB 7, 101, 134 & 1049]</i>	Includes narrow-focus amendments to address concerns about existing presentation and disclosure requirements, and to ensure entities are able to use judgement when applying a standard in determining what information to disclose.	1 Jan 2016	Disclosure requirements could change.

c) Agency and Territory Items

The financial statements of the Department of the Legislative Assembly include income, expenses, assets, liabilities and equity over which the Department of the Legislative Assembly has control (Agency items). Certain items, while managed by the agency, are

DEPARTMENT OF THE LEGISLATIVE ASSEMBLY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

controlled and recorded by the Territory rather than the agency (Territory items). Territory items are recognised and recorded in the Central Holding Authority as discussed below.

Central Holding Authority

The Central Holding Authority is the 'parent body' that represents the Government's ownership interest in Government-controlled entities.

The Central Holding Authority also records all Territory items, such as income, expenses, assets and liabilities controlled by the Government and managed by agencies on behalf of the Government. The main Territory item is Territory income, which includes taxation and royalty revenue, Commonwealth general purpose funding (such as GST revenue), fines, and statutory fees and charges.

The Central Holding Authority also holds certain Territory assets not assigned to agencies as well as certain Territory liabilities that are not practical or effective to assign to individual agencies such as unfunded superannuation and long service leave.

The Central Holding Authority recognises and records all Territory items, and as such, these items are not included in the agency's financial statements.

d) Comparatives

Where necessary, comparative information for the 2013-14 financial year has been reclassified to provide consistency with current year disclosures.

e) Presentation and Rounding of Amounts

Amounts in the financial statements and notes to the financial statements are presented in Australian dollars and have been rounded to the nearest thousand dollars, with amounts of \$500 or less being rounded down to zero.

f) Changes in Accounting Policies

There have been no changes to accounting policies adopted in 2014-15 as a result of management decisions.

g) Accounting Judgments and Estimates

The preparation of the financial report requires the making of judgments and estimates that affect the recognised amounts of assets, liabilities, revenues and expenses and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments and estimates that have significant effects on the financial statements are disclosed in the relevant notes to the financial statements. Notes that include significant judgments and estimates are:

DEPARTMENT OF THE LEGISLATIVE ASSEMBLY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

- Employee Benefits – Note 2(v) and Note 14: Non-current liabilities in respect of employee benefits are measured as the present value of estimated future cash outflows based on the appropriate Government bond rate, estimates of future salary and wage levels and employee periods of service.
- Contingent Liabilities – Note 20: The present value of material quantifiable contingent liabilities are calculated using a discount rate based on the published 10-year Government bond rate.
- Allowance for Impairment Losses – Note 2(o), Note 8: Receivables and Note 18: Financial Instruments. The allowance represents debts that are likely to be uncollectible and are considered doubtful. Debtors are grouped according to their aging profile and history of previous financial difficulties.
- Depreciation and Amortisation – Note 2(k), Note 10: Property, Plant and Equipment, and Note 11.

h) Goods and Services Tax

Income, expenses and assets are recognised net of the amount of Goods and Services Tax (GST), except where the amount of GST incurred on a purchase of goods and services is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the Balance Sheet.

Cash flows are included in the Cash Flow Statement on a gross basis. The GST components of cash flows arising from investing and financing activities, which are recoverable from, or payable to, the ATO are classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable or payable unless otherwise specified.

i) Income Recognition

Income encompasses both revenue and gains.

Income is recognised at the fair value of the consideration received, exclusive of the amount of GST. Exchanges of goods or services of the same nature and value without any cash consideration being exchanged are not recognised as income.

Grants and Other Contributions

Grants, donations, gifts and other non-reciprocal contributions are recognised as revenue when the agency obtains control over the assets comprising the contributions. Control is normally obtained upon receipt.

Contributions are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

Appropriation

Output appropriation is the operating payment to each agency for the outputs they provide and is calculated as the net cost of agency outputs after taking into account funding from

DEPARTMENT OF THE LEGISLATIVE ASSEMBLY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

agency income. It does not include any allowance for major non-cash costs such as depreciation.

Commonwealth appropriation follows from the Intergovernmental Agreement on Federal Financial Relations, resulting in Specific Purpose Payments (SPPs) and National Partnership (NP) payments being made by the Commonwealth Treasury to state treasuries, in a manner similar to arrangements for GST payments. These payments are received by the Department of Treasury and Finance on behalf of the Central Holding Authority and then on-passed to the relevant agencies as Commonwealth appropriation.

Revenue in respect of appropriations is recognised in the period in which the agency gains control of the funds.

Sale of Goods

Revenue from the sale of goods is recognised (net of returns, discounts and allowances) when:

- the significant risks and rewards of ownership of the goods have transferred to the buyer;
- the agency retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be reliably measured;
- it is probable that the economic benefits associated with the transaction will flow to the agency; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of Services

Revenue from rendering services is recognised by reference to the stage of completion of the contract. The revenue is recognised when:

- the amount of revenue, stage of completion and transaction costs incurred can be reliably measured; and
- it is probable that the economic benefits associated with the transaction will flow to the entity.

Interest Revenue

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.

Goods and Services Received Free of Charge

Goods and services received free of charge are recognised as revenue when a fair value can be reliably determined and the resource would have been purchased if it had not been donated. Use of the resource is recognised as an expense.

Disposal of Assets

A gain or loss on disposal of assets is included as a gain or loss on the date control of the asset passes to the buyer, usually when an unconditional contract of sale is signed. The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal. Refer also to Note 5.

DEPARTMENT OF THE LEGISLATIVE ASSEMBLY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

Contributions of Assets

Contributions of assets and contributions to assist in the acquisition of assets, being non-reciprocal transfers, are recognised, unless otherwise determined by Government, as gains when the agency obtains control of the asset or contribution. Contributions are recognised at the fair value received or receivable.

j) Repairs and Maintenance Expense

Funding is received for repairs and maintenance works associated with agency assets as part of output revenue. Costs associated with repairs and maintenance works on agency assets are expensed as incurred.

k) Depreciation and Amortisation Expense

Items of property, plant and equipment, including buildings but excluding land, have limited useful lives and are depreciated or amortised using the straight-line method over their estimated useful lives.

Amortisation applies in relation to intangible non-current assets with limited useful lives and is calculated and accounted for in a similar manner to depreciation.

The estimated useful lives for each class of asset are in accordance with the Treasurer's Directions and are determined as follows:

	2015	2014
Buildings	100 years	100 years
Infrastructure Assets	82 years	82 years
Plant and Equipment	10 years	10 years
Leased Plant and Equipment	3 years	3 years
Heritage and Cultural Assets	100 years	100 years

Assets are depreciated or amortised from the date of acquisition or from the time an asset is completed and held ready for use.

l) Interest Expense

Interest expenses include interest and finance lease charges. Interest expenses are expensed in the period in which they are incurred.

m) Cash and Deposits

For the purposes of the Balance Sheet and the Cash Flow Statement, cash includes cash on hand, cash at bank and cash equivalents. Cash equivalents are highly liquid short-term investments that are readily convertible to cash. Cash at bank includes monies held in the Accountable Officer's Trust Account (AOTA) that are ultimately payable to the beneficial owner – refer also to Note 22.

n) Inventories

Inventories include assets held for distribution at no or nominal consideration in the ordinary course of business operations.

Inventories held for distribution are carried at the lower of cost and current replacement cost. Cost of inventories includes all costs associated with bringing the inventories to their present

DEPARTMENT OF THE LEGISLATIVE ASSEMBLY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

location and condition. When inventories are acquired at no or nominal consideration, the cost will be the current replacement cost at date of acquisition.

The cost of inventories are assigned using a mixture of first-in, first out or weighted average cost formula or using specific identification of their individual costs.

Inventory held for distribution is regularly assessed for obsolescence and loss.

o) Receivables

Receivables include accounts receivable and other receivables and are recognised at fair value less any allowance for impairment losses.

The allowance for impairment losses represents the amount of receivables the agency estimates are likely to be uncollectible and are considered doubtful. Analyses of the age of the receivables that are past due as at the reporting date are disclosed in an aging schedule under credit risk in Note 18 Financial Instruments. Reconciliation of changes in the allowance accounts is also presented.

Accounts receivable are generally settled within 30 days.

p) Property, Plant and Equipment

Acquisitions

All items of property, plant and equipment with a cost, or other value, equal to or greater than \$10 000 are recognised in the year of acquisition and depreciated as outlined below. Items of property, plant and equipment below the \$10 000 threshold are expensed in the year of acquisition.

The construction cost of property, plant and equipment includes the cost of materials and direct labour, and an appropriate proportion of fixed and variable overheads.

Complex Assets

Major items of plant and equipment comprising a number of components that have different useful lives, are accounted for as separate assets. The components may be replaced during the useful life of the complex asset.

Subsequent Additional Costs

Costs incurred on property, plant and equipment subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to the agency in future years. Where these costs represent separate components of a complex asset, they are accounted for as separate assets and are separately depreciated over their expected useful lives.

Construction (Work in Progress)

As part of the financial management framework, the Department of Infrastructure is responsible for managing general government capital works projects on a whole of Government basis. Therefore appropriation for all agency capital works is provided directly to the Department of Infrastructure and the cost of construction work in progress is recognised as an asset of that Department. Once completed, capital works assets are transferred to the agency.

q) Biological Assets

The Department of the Legislative Assembly does not hold any biological assets.

DEPARTMENT OF THE LEGISLATIVE ASSEMBLY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

r) Revaluations and Impairment

Revaluation of Assets

Subsequent to initial recognition, assets belonging to the following classes of non-current assets are revalued with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from their fair value at reporting date:

- land;
- buildings;
- infrastructure assets;
- heritage and cultural assets;

Plant and equipment are stated at historical cost less depreciation, which is deemed to equate to fair value.

Impairment of Assets

An asset is said to be impaired when the asset's carrying amount exceeds its recoverable amount.

Non-current physical and intangible agency assets are assessed for indicators of impairment on an annual basis. If an indicator of impairment exists, the agency determines the asset's recoverable amount. The asset's recoverable amount is determined as the higher of the asset's depreciated replacement cost and fair value less costs to sell. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

Impairment losses are recognised in the Comprehensive Operating Statement. They are disclosed as an expense unless the asset is carried at a revalued amount. Where the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation surplus for that class of asset to the extent that an available balance exists in the asset revaluation surplus.

In certain situations, an impairment loss may subsequently be reversed. Where an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount. A reversal of an impairment loss is recognised in the Comprehensive Operating Statement as income, unless the asset is carried at a revalued amount, in which case the impairment reversal results in an increase in the asset revaluation surplus. Note 16 provides additional information in relation to the asset revaluation surplus.

s) Assets Held for Sale

The Department of the Legislative Assembly does not hold any assets for sale.

t) Leased Assets

Leases under which the agency assumes substantially all the risks and rewards of ownership of an asset are classified as finance leases. Other leases are classified as operating leases.

DEPARTMENT OF THE LEGISLATIVE ASSEMBLY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

Finance Leases

Finance leases are capitalised. A lease asset and lease liability equal to the lower of the fair value of the leased property and present value of the minimum lease payments, each determined at the inception of the lease, are recognised.

Lease payments are allocated between the principal component of the lease liability and the interest expense.

Operating Leases

Operating lease payments made at regular intervals throughout the term are expensed when the payments are due, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased property. Lease incentives under an operating lease of a building or office space is recognised as an integral part of the consideration for the use of the leased asset. Lease incentives are to be recognised as a deduction of the lease expenses over the term of the lease.

u) Payables

Liabilities for accounts payable and other amounts payable are carried at cost, which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the agency. Accounts payable are normally settled within 30 days.

v) Employee Benefits

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries and recreation leave. Liabilities arising in respect of wages and salaries, recreation leave and other employee benefit liabilities that fall due within twelve months of reporting date are classified as current liabilities and are measured at amounts expected to be paid. Non-current employee benefit liabilities that fall due after twelve months of the reporting date are measured at present value, calculated using the Government long-term bond rate.

No provision is made for sick leave, which is non-vesting, as the anticipated pattern of future sick leave to be taken is less than the entitlement accruing in each reporting period.

Employee benefit expenses are recognised on a net basis in respect of the following categories:

- wages and salaries, non-monetary benefits, recreation leave, sick leave and other leave entitlements; and
- other types of employee benefits.

As part of the financial management framework, the Central Holding Authority assumes the long service leave liabilities of Government agencies, including the *Department of the Legislative Assembly* and as such no long service leave liability is recognised in agency financial statements.

w) Superannuation

Employees' superannuation entitlements are provided through the:

- Northern Territory Government and Public Authorities Superannuation Scheme (NTGPASS);
- Commonwealth Superannuation Scheme (CSS); or

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- non-government employee-nominated schemes for those employees commencing on or after 10 August 1999.

The agency makes superannuation contributions on behalf of its employees to the Central Holding Authority or non-government employee-nominated schemes. Superannuation liabilities related to government superannuation schemes are held by the Central Holding Authority and as such are not recognised in agency financial statements.

x) Contributions by and Distributions to Government

The agency may receive contributions from Government where the Government is acting as owner of the agency. Conversely, the agency may make distributions to Government. In accordance with the *Financial Management Act* and Treasurer's Directions, certain types of contributions and distributions, including those relating to administrative restructures, have been designated as contributions by, and distributions to, Government. These designated contributions and distributions are treated by the agency as adjustments to equity.

The Statement of Changes in Equity provides additional information in relation to contributions by, and distributions to, Government.

y) Commitments

Disclosures in relation to capital and other commitments, including lease commitments are shown at Note 19.

Commitments are those contracted as at 30 June where the amount of the future commitment can be reliably measured.

z) Financial Instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and liabilities are recognised on the Balance Sheet when the agency becomes a party to the contractual provisions of the financial instrument. The agency's financial instruments include cash and deposits; receivables; advances; investments loan and placements; payables; advances received; borrowings and derivatives.

Exposure to interest rate risk, foreign exchange risk, credit risk, price risk and liquidity risk arise in the normal course of activities. The agency's investments, loans and placements, and borrowings are predominantly managed through the NTTC adopting strategies to minimise the risk. Derivative financial arrangements are also utilised to manage financial risks inherent in the management of these financial instruments. These arrangements include swaps, forward interest rate agreements and other hedging instruments to manage fluctuations in interest or exchange rates.

Classification of Financial Instruments

AASB 7 Financial Instruments: Disclosures requires financial instruments to be classified and disclosed within specific categories depending on their nature and purpose.

Financial assets are classified into the following categories:

- financial assets at fair value through profit or loss;
- held-to-maturity investments;

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For the year ended 30 June 2015

- loans and receivables; and
- available-for-sale financial assets.

Financial liabilities are classified into the following categories:

- financial liabilities at fair value through profit or loss (FVTPL); and
- financial liabilities at amortised cost.

Financial Assets or Financial Liabilities at Fair Value through Profit or Loss

Financial instruments are classified as at FVTPL when the instrument is either held for trading or is designated as at FVTPL.

An instrument is classified as held for trading if it is:

- acquired or incurred principally for the purpose of selling or repurchasing it in the near term with an intention of making a profit; or
- part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or
- a derivative that is not a financial guarantee contract or a designated and effective hedging instrument.

A financial instrument may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the instrument forms part of a group of financial instruments, which is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 Financial Instruments: Recognition and Measurement permits the contract to be designated as at FVTPL.

Held-to-Maturity Investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity dates that the entity has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are recorded at amortised cost using the effective interest method less impairment, with revenue recognised on an effective yield basis.

Loans and Receivables

For details refer to Note 2 (o).

Available-for-Sale Financial Assets

Available-for-sale financial assets are those non-derivative financial assets, principally equity securities that are designated as available-for-sale or are not classified as any of the three preceding categories. After initial recognition available-for-sale securities are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which

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For the year ended 30 June 2015

time the cumulative gain or loss previously reported in equity is recognised in the Comprehensive Operating Statement.

Financial Liabilities at Amortised Cost

Amortised cost is calculated using the effective interest method.

Derivatives

The agency enters into a variety of derivative financial instruments to manage its exposure to interest rate risk. The agency does not speculate on trading of derivatives.

Derivatives are initially recognised at fair value on the date a derivative contract is entered in to and are subsequently remeasured at their fair value at each reporting date. The resulting gain or loss is recognised in the Comprehensive Operating Statement immediately unless the derivative is designated and qualifies as an effective hedging instrument, in which event, the timing of the recognition in the Comprehensive Operating Statement depends on the nature of the hedge relationship. Application of hedge accounting will only be available where specific designation and effectiveness criteria are satisfied.

Netting of Swap Transactions

The agency, from time to time, may facilitate certain structured finance arrangements, where a legally recognised right to set-off financial assets and liabilities exists, and the Territory intends to settle on a net basis. Where these arrangements occur, the revenues and expenses are offset and the net amount is recognised in the Comprehensive Operating Statement.

Note 18 provides additional information on financial instruments.

aa) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The highest and best use takes into account the use of the asset that is physically possible, legally permissible and financially feasible.

When measuring fair value, the valuation techniques used maximise the use of relevant observable inputs and minimise the use of unobservable inputs. Unobservable inputs are used to the extent that sufficient relevant and reliable observable inputs are not available for similar assets/liabilities.

Observable inputs are publicly available data that are relevant to the characteristics of the assets/liabilities being valued. Observable inputs used by the agency include, but are not limited to, published sales data for land and general office buildings.

Unobservable inputs are data, assumptions and judgments that are not available publicly, but are relevant to the characteristics of the assets/liabilities being valued. Such inputs include internal agency adjustments to observable data to take account of particular and potentially unique characteristics/functionality of assets/liabilities and assessments of physical condition and remaining useful life.

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All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the following fair value hierarchy based on the inputs used:

Level 1 – inputs are quoted prices in active markets for identical assets or liabilities;

Level 2 – inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3 – inputs are unobservable.

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3. COMPREHENSIVE OPERATING STATEMENT BY OUTPUT GROUP

	Note	Assembly Services		Members and Client Services		Building Management Services		Corporate and Governance		Total	
		2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
INCOME											
Grants and subsidies revenue											
Current											
Appropriation											
Output		3,740	4,009	13,381	13,266	4,862	4,822	1,332	1,395	23,315	23,492
Goods and services received free of charge	4	181	177	1,897	1,854	181	177			2,259	2,208
Gain on disposal of assets	5				3	1	2			1	5
Other income		29	64	8	5	92	80	8	7	137	156
TOTAL INCOME		3,950	4,250	15,286	15,128	5,136	5,081	1,340	1,402	25,712	25,861
EXPENSES											
Employee expenses		2,539	2,709	10,427	10,197	726	761	1,186	1,222	14,878	14,889
Administrative expenses											
Purchases of goods and services	6	609	700	2,257	2,249	2,557	2,516	147	173	5,570	5,638
Repairs and maintenance				698	820	1,450	2,013			2,148	2,833
Depreciation and amortisation	10, 11	3	4	43	98	3,899	3,887			3,945	3,989
Other administrative expenses ¹		174	177	1,911	1,854	174	177			2,259	2,208
TOTAL EXPENSES		3,325	3,590	15,336	15,218	8,806	9,354	1,333	1,395	28,880	29,557
NET SURPLUS/(DEFICIT)		625	660	(50)	(90)	(3,670)	(4,273)	7	7	(3,088)	(3,696)
OTHER COMPREHENSIVE INCOME^(c)						(10,023)				(10,023)	
TOTAL OTHER COMPREHENSIVE INCOME											
COMPREHENSIVE RESULT		625	660	(50)	(90)	(13,693)	(4,273)	7	7	(13,111)	(3,696)

¹ Includes DCIS service charges.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

	2015 \$000	2014 \$000
4. GOODS AND SERVICES RECEIVED FREE OF CHARGE		
Corporate and information services	2,259	2,207
	2,259	2,207
5. GAIN ON DISPOSAL OF ASSETS		
Proceeds from sale of minor assets	1	5
Total Gain on Disposal of Assets	1	5
6. PURCHASES OF GOODS AND SERVICES		
The net surplus/(deficit) has been arrived at after charging the following expenses:		
Goods and services expenses:		
Consultants (1)	2	11
Advertising (2)	-	-
Marketing and promotion (3)	31	44
Document production	143	145
Legal expenses (4)	7	8
Recruitment (5)	1	11
Training and study	37	32
Official duty fares	417	213
Travelling allowance	221	221
Accommodation	149	101
Audit Fees	-	15
Communications	346	399
Hospitality	106	111
Information Technology	668	676
Membership and Subscriptions	19	18
Motor Vehicle Expenses	440	431
Office Requisites	132	156
Other Equipment Expenses	134	411
Other	73	62
	2,926	3,065

(1) Includes marketing, promotion and IT consultants.

(2) Does not include recruitment, advertising or marketing and promotion advertising.

(3) Includes advertising for marketing and promotion but excludes marketing and promotion consultants' expenses, which are incorporated in the consultants' category.

(4) Includes legal fees, claim and settlement costs.

(5) Includes recruitment-related advertising costs.

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For the year ended 30 June 2015

	2015	2014
	\$000	\$000
7. CASH AND DEPOSITS		
Cash on hand	5	5
Cash at bank	3,976	2,350
	3,981	2,355
8. RECEIVABLES		
Current		
Accounts receivable	29	40
Less: Allowance for impairment losses	0	2
	29	42
GST Receivable	52	113
Total Receivables	81	155
9. INVENTORIES		
Inventories Held for Distribution		
At cost	15	15
Total Inventories	15	15

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

	2015 \$000	2014 \$000
10. PROPERTY, PLANT AND EQUIPMENT		
Land		
At fair value	54,150	56,000
Buildings		
At fair value	284,394	295,252
Less: Accumulated depreciation	(74,681)	(73,737)
	209,713	221,515
Infrastructure		
At fair value	230	125
Less: Accumulated depreciation	(22)	(19)
	208	106
Plant and Equipment		
At fair value	2,015	2,015
Less: Accumulated depreciation	(1,954)	(1,900)
	61	115
Computer Hardware		
At fair value	37	37
Less: Accumulated depreciation	(37)	(34)
	-	3
Total Property, Plant and Equipment	264,132	277,739

Property, Plant and Equipment Valuations

Parliament House land, building and Liberty Square land was revalued as at 30 June 2015 which were independently conducted. The valuer was Colliers International.

Impairment of Property, Plant and Equipment

Agency property, plant and equipment assets were assessed for impairment as at 30 June 2015. No impairment adjustments were required as a result of this review.

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10.

	Land	Buildings	Infrastructure	Plant and Equipment	Computer Hardware	Total
	\$000	\$000	\$000	\$000	\$000	\$000
Carrying Amount as at 1 July 2014	56,000	221,515	106	114	3	277,738
Depreciation		(3,884)	(3)	(53)	(3)	(3,943)
Additions/(Disposals) from asset transfers		255	106			361
Revaluation increments/(decrements)	(1,850)	(8,173)				(10,023)
Carrying Amount as at 30 June 2015	54,150	209,713	209	61	-	264,133

	Land	Buildings	Infrastructure	Plant and Equipment	Computer Hardware	Total
	\$000	\$000	\$000	\$000	\$000	\$000
Carrying Amount as at 1 July 2013	56,000	225,081	124	181	6	281,392
Depreciation		(3,870)	(2)	(111)	(3)	(3,986)
Additions/(Disposals) from asset transfers		303	(16)	45		332
Impairment losses reversed				(2)		(2)
Carrying Amount as at 30 June 2014	56,000	221,514	106	113	3	277,736

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	2015	2014
	\$000	\$000
11. HERITAGE AND CULTURAL ASSETS		
Carrying amount		
At valuation	137	127
Less: Accumulated depreciation	(22)	(21)
Written down value – 30 June	115	106
Reconciliation of movements		
Carrying amount at 1 July	106	108
Additions	10	
Depreciation	(1)	(1)
Carrying amount as at 30 June	115	107

Impairment of Heritage and Cultural Assets

Agency heritage and cultural assets were assessed for impairment as at 30 June 2015. No impairment adjustments were required as a result of this review.

DEPARTMENT OF THE LEGISLATIVE ASSEMBLY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

12. FAIR VALUE MEASUREMENT OF NON-FINANCIAL ASSETS

a) Fair Value Hierarchy

Fair values of non-financial assets categorised by levels of inputs used to compute fair value are:

	Level 1 \$000	Level 2 \$000	Level 3 \$000	Total Fair Value \$000
2014-15				
Asset Classes				
Land		54,150		54,150
Buildings			209,712	209,712
Infrastructure			208	208
Plant and Equipment			61	61
Heritage and Cultural			115	115
Total	-	54,150	210,096	264,247
2013-14				
Asset Classes				
Land		56,000		56,000
Buildings			221,515	221,515
Infrastructure			106	106
Plant and Equipment			114	114
Computer Hardware			3	3
Heritage and Cultural			106	106
Total	-	56,000	221,844	277,844

There were no transfers between Level 1 and Levels 2 or 3 during 2014-15.

b) Valuation Techniques and Inputs

Valuation techniques used to measure fair value in 2014-15 are:

	Level 2 Techniques	Level 3 Techniques
Asset Classes		
Land	Market	
Buildings		Cost
Infrastructure		Cost
Plant and Equipment		Cost
Computer Hardware		Cost
Heritage and Cultural		Cost

There were no changes in valuation techniques from 2013-14 to 2014-15.

Colliers International provided valuations for the Parliament House and Liberty Square land and the Parliament House building assets.

DEPARTMENT OF THE LEGISLATIVE ASSEMBLY

NOTES TO THE FINANCIAL STATEMENTS

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Level 2 fair values of land were based on market evidence of sales price per square metre of comparable land and buildings.

Level 3 fair values of specialised buildings and infrastructure were determined by computing their depreciated replacement costs because an active market does not exist for such facilities. The depreciated replacement cost was based on a combination of internal records of the historical cost of the facilities, adjusted for contemporary technology and construction approaches. Significant judgement was also used in assessing the remaining service potential of the facilities, given local environmental conditions, projected usage, and records of the current condition of the facilities.

c) Additional Information for Level 3 Fair Value Measurements

(i) Reconciliation of Recurring Level 3 Fair Value Measurements

	Buildings	Infrastructure	Plant and Equipment	Computer Hardware	Heritage and Cultural
	\$000	\$000	\$000	\$000	\$000
2014-15					
Fair value as at 1 July 2014	221,515	106	114	3	106
Additions					10
Depreciation	(3,884)	(3)	(53)	(3)	(1)
Additions/Disposals from asset trfs	255	106			
Revaluation Increments/(Decrements)	(8,173)				
Fair value as at 30 June 2015	209,713	209	61	-	115
2013-14					
Fair value as at 1 July 2013	225,081	124	181	6	108
Depreciation	(3,870)	(2)	(111)	(3)	(1)
Additions/Disposals from asset trfs	303	(16)	45		
Impairment Losses Reversed			(2)		
Fair value as at 30 June 2014	221,514	106	113	3	107

(ii) Sensitivity analysis

The level 3 assets apart from buildings use historical cost less depreciated value to obtain the asset's fair value. As the material components of these assets do not have an active market historical cost method of valuation was used. In respect of sensitivity of fair value to changes in input, a higher or lower useful life would increase or decrease the fair value respectively.

The building asset was revalued as at 30 June 2015 using depreciated replacement cost.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

	2015	2014
	\$000	\$000
13. PAYABLES		
Accounts payable	210	113
Accrued expenses	602	500
Total Payables	812	613

14. PROVISIONS

Current

Employee benefits

Recreation leave	510	485
Leave loading	89	98
Other Employee Benefits	-	2

Other current provisions

Other provisions	215	311
	814	896

Non-Current

Employee benefits

Recreation Leave	227	247
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Total Provisions	1,041	1,143
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The Agency employed 92 employees as at 30 June 2015 (110 employees as at 30 June 2014).

15. OTHER LIABILITIES

Current

Other liabilities	1	-
Total Other Liabilities	1	-

16. RESERVES

Asset Revaluation Surplus

(i) Nature and purpose of the asset revaluation surplus

The asset revaluation surplus includes the net revaluation increments and decrements arising from the revaluation of non-current assets. Impairment adjustments may also be recognised in the asset revaluation surplus.

(ii) Movements in the asset revaluation surplus

Balance as at 1 July	150,741	150,741
Increment/(Decrement) – land	(1,850)	
Increment/(Decrement) – buildings	(8,173)	
Balance as at 30 June	140,718	150,741

DEPARTMENT OF THE LEGISLATIVE ASSEMBLY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

	2015	2014
	\$000	\$000

17. NOTES TO THE CASH FLOW STATEMENT

Reconciliation of Cash

The total of agency 'Cash and deposits' of \$3,981,000 recorded in the Balance Sheet is consistent with that recorded as 'Cash' in the Cash Flow Statement.

Reconciliation of Net Surplus/(Deficit) to Net Cash from Operating Activities

Net Surplus/(Deficit)	(3,492)	(3,696)
<i>Non-cash items:</i>		
Depreciation and amortisation	3,945	3,988
Asset write-offs/write-downs	-	2
R&M - Minor New Work Non Cash	964	391
<i>Changes in assets and liabilities:</i>		
Decrease/(Increase) in receivables	74	(55)
Decrease/(Increase) in inventories	-	3
Decrease/(Increase) in prepayments	9	(26)
(Decrease)/Increase in payables	198	165
(Decrease)/Increase in provision for employee benefits	(7)	36
(Decrease)/Increase in other provisions	(96)	144
Net Cash from Operating Activities	1,595	952

18. FINANCIAL INSTRUMENTS

a) Categorisation of Financial Instruments

The carrying amounts of the agency's financial assets and liabilities by category are disclosed in the table below.

	2015	2014
	\$000	\$000
Financial Assets		
Cash and deposits	3,981	2,355
Loans and receivables	81	155
Financial Liabilities		
Deposits Held	(1)	-
Payables	(812)	(614)

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

b) Credit Risk

The agency has limited credit risk exposure (risk of default). In respect of any dealings with organisations external to Government, the agency has adopted a policy of only dealing with credit worthy organisations and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults.

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the agency's maximum exposure to credit risk without taking account of the value of any collateral or other security obtained.

Receivables

Receivable balances are monitored on an ongoing basis to ensure that exposure to bad debts is not significant. A reconciliation and aging analysis of receivables is presented below.

Internal Receivables	Aging of Receivables \$000	Aging of Impaired Receivables \$000	Net Receivables \$000
2014-15			
Not overdue			
Overdue for less than 30 days			
Overdue for 30 to 60 days			
Overdue for more than 60 days			
Total	-		-
2013-14			
Not overdue	2		2
Overdue for less than 30 days	-		-
Overdue for 30 to 60 days	1		1
Overdue for more than 60 days	9		9
Total	12		12

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External Receivables	Aging of Receivables \$000	Aging of Impaired Receivables \$000	Net Receivables \$000
2014-15			
Not overdue	62		62
Overdue for less than 30 days	-		-
Overdue for 30 to 60 days	1		1
Overdue for more than 60 days	18		18
Total	81		81
2013-14			
Not overdue	124		124
Overdue for less than 30 days	-		-
Overdue for 30 to 60 days	2		2
Overdue for more than 60 days	17		17
Total	143		143

c) Liquidity Risk

Liquidity risk is the risk that the agency will not be able to meet its financial obligations as they fall due. The agency's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they fall due.

The following tables detail the agency's remaining contractual maturity for its financial assets and liabilities.

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For the year ended 30 June 2015

2015 Maturity analysis for financial assets and liabilities

	Variable Interest Rate			Fixed Interest Rate			Non Interest Bearing	Total	Weighted Average
	Less than a Year	1 to 5 Years	More than 5 Years	Less than a Year	1 to 5 Years	More than 5 Years			
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	%
Assets									
Cash and deposits							3,981	3,981	
Receivables							81	81	
Total Financial Assets							4,062	4,062	
Liabilities									
Deposits held							(1)	(1)	
Payables							(812)	(812)	
Total Financial Liabilities							(813)	(813)	

2014 Maturity analysis for financial assets and liabilities

	Variable Interest Rate			Fixed Interest Rate			Non Interest Bearing	Total	Weighted Average
	Less than a Year	1 to 5 Years	More than 5 Years	Less than a Year	1 to 5 Years	More than 5 Years			
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	%
Assets									
Cash and deposits							2,355	2,355	
Receivables							155	155	
Total Financial Assets							2,510	2,510	
Liabilities									
Payables							(614)	(614)	
Total Financial Liabilities							(614)	(614)	

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For the year ended 30 June 2015

d) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. It comprises interest rate risk, price risk and currency risk.

(i) Interest Rate Risk

The Department of the Legislative Assembly exposure to interest rate risk by asset and liability classes is disclosed above under liquidity risk.

(ii) Price Risk

The Department of the Legislative Assembly is not exposed to price risk as Department of the Legislative Assembly does not hold units in unit trusts.

(iii) Currency Risk

The Department of the Legislative Assembly is not exposed to currency risk as the Department of the Legislative Assembly does not hold borrowings denominated in foreign currencies or transactional currency exposures arising from purchases in a foreign currency.

e) Net Fair Value

The fair value of financial instruments is determined on the following basis:

- the fair value of cash, deposits, advances, receivables and payables approximates their carrying amount, which is also their amortised cost;
- the fair value of derivative financial instruments are derived using current market yields and exchange rates appropriate to the instrument; and
- the fair value of other monetary financial assets and liabilities is based on discounting to present value the expected future cash flows by applying current market interest rates for assets and liabilities with similar risk profiles.

For financial instruments measured and disclosed at fair value, the following table groups the instruments based on the level of inputs used.

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	Total Carrying Amount	Net Fair Value Level 1	Net Fair Value Level 2	Net Fair Value Level 3	Net Fair Value Total
	\$000	\$000	\$000	\$000	\$000
2015					
Financial Assets					
Cash and Deposits	3,981	3,981			3,981
Receivables	81	81			81
Total Financial Assets	4,062	4,062			4,062
Financial Liabilities					
Deposits Held	(1)	(1)			(1)
Payables	(812)	(812)			(812)
Total Financial Liabilities	(813)	(813)			(813)
2014					
	Total Carrying Amount	Net Fair Value Level 1	Net Fair Value Level 2	Net Fair Value Level 3	Net Fair Value Total
	\$000	\$000	\$000	\$000	\$000
Financial Assets					
Cash and Deposits	2,355	2,355			2,355
Receivables	155	155			155
Total Financial Assets	2,510	2,510			2,510
Financial Liabilities					
Payables	(614)	(614)			(614)
Total Financial Liabilities	(614)	(614)			(614)

The net fair values of all financial instruments are based on market value.

There were no changes in valuation techniques during the period.

Transfer Between Categories

There has been no transferred between categories.

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For the year ended 30 June 2015

2015		2014	
Internal	External	Internal	External
\$000	\$000	\$000	\$000

19. COMMITMENTS

Operating Lease Commitments

The agency leases property under non-cancellable operating leases expiring from 0 to 3 years. Leases generally provide the agency with a right of renewal at which time all lease terms are renegotiated. The agency also leases items of plant and equipment under non-cancellable operating leases. Future operating lease commitments not recognised as liabilities are payable as follows:

Within one year	109	158
Later than one year and not later than five years	21	127
	130	285

20. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Department of the Legislative Assembly had no contingent liabilities or contingent assets as at 30 June 2015 or 30 June 2014.

21. EVENTS SUBSEQUENT TO BALANCE DATE

No events have arisen between the end of the financial year and the date of this report that require adjustment to, or disclosure in these financial statements.

22. ACCOUNTABLE OFFICER'S TRUST ACCOUNT

In accordance with section 7 of the *Financial Management Act*, an Accountable Officer's Trust Account has been established for the receipt of money to be held in trust. A summary of activity is shown below:

Nature of Trust Money	Opening Balance 1 July 2014	Receipts	Payments	Closing Balance 30 June 2015
Security deposits	248	460	80	628

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For the year ended 30 June 2015

23. WRITE-OFFS, POSTPONEMENTS, WAIVERS, GIFTS AND EX GRATIA PAYMENTS

	Agency 2015 \$000	Agency No. of Trans.	Agency 2014 \$000	Agency No. of Trans.	Territory Items 2015 \$000	Territory Items No. of Trans.	Territory Items 2014 \$000	Territory Items No. of Trans.
Write-offs, Postponements and Waivers Under the <i>Financial Management Act</i>								
Represented by:								
<i>Amounts written off, postponed and waived by Delegates</i>			2	1				
Total Written Off, Postponed and Waived by Delegates			2	1				

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24. BUDGETARY INFORMATION

Comprehensive Operating Statement	2014-15 Actual	2014-15 Original Budget	Variance	Note
	\$000	\$000	\$000	
INCOME				
Appropriation				
Output	23,315	23,275	40	
Sales of goods and services	89	32	57	a
Goods and services received free of charge	2,259	2,102	157	b
Gain on disposal of assets	1	-	1	
Other income	48	5	43	c
TOTAL INCOME	25,712	25,414	298	
EXPENSES				
Employee expenses	14,877	14,785	92	
Administrative expenses				
Purchases of goods and services	5,569	6,213	(644)	d
Repairs and maintenance	2,148	2,314	(166)	e
Depreciation and amortisation	3,945	4,208	(263)	f
Other administrative expenses	2,259	2,102	157	b
TOTAL EXPENSES	28,798	29,622	(824)	
NET SURPLUS/(DEFICIT)	(3,087)	(4,208)	(1121)	
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to net surplus/deficit				
Asset Revaluation Reserve	(10,023)	-		
TOTAL OTHER COMPREHENSIVE INCOME	(10,023)	-		
COMPREHENSIVE RESULT	(13,110)	-		

Notes:

The following note description relates to variances greater than 10 per cent or \$100,000, or where multiple significant variances have occurred.

- a. Increase of \$57,000 in sales of goods and services revenue from the original budget reflects the increase in Parliament House venue hire for meetings and events.
- b. Increase of \$0.157 million in goods and services free of charge and the other administrative expenses from the original budget are services provided free of charge to the Department of the Legislative Assembly in which the revenue and corresponding expenditure net off and reflects the actual usage of services.
- c. Increase of \$43,000 in Other income from the original budget are mainly due to the following:
 - \$28,000 from contributions from other agencies relating to the Portrait of Senior Territorians
 - \$3,000 from gymnasium membership fees
 - \$9,000 from cost recoveries from Members

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- d. Decrease of \$0.64 million of purchases of goods and services from the original budget primarily relates to the Statehood initiative's under expenditure (\$0.48 million).
- e. Decrease of \$0.17 million decrease of repairs and maintenance from the original budget is due to completion timing of various projects.
- f. Decrease of \$0.26 million in depreciation from the original budget reflects the alignment of depreciation expenditure as a result of the change from the Asset Management System to the Asset Information System.

DEPARTMENT OF THE LEGISLATIVE ASSEMBLY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

	2014-15 Actual	2014-15 Original Budget	Variance	Note
Balance Sheet	\$000	\$000	\$000	
ASSETS				
Current assets				
Cash and deposits	3,981	1,361	2,620	a
Receivables	81	100	(19)	b
Inventories	15	18	(3)	
Prepayments	18	1	17	c
Total current assets	4,095	1,480	2,615	
Non-current assets				
Property, plant and equipment	264,132	273,970	(9,838)	d
Heritage and cultural assets	115	-	115	e
Total non-current assets	264,247	273,970	(9,723)	
TOTAL ASSETS	268,342	275,450	(7,108)	
LIABILITIES				
Current liabilities				
Deposits held	1	-	1	
Payables	812	448	364	f
Provisions	814	737	77	
Total current liabilities	1,627	1,185	442	
Non-current liabilities				
Provisions	227	227	-	
Total non-current liabilities	227	227	-	
TOTAL LIABILITIES	1,854	1,412	442	
NET ASSETS	266,489	274,038	(7,549)	
EQUITY				
Capital	158,814	158,114	700	
Reserves	140,718	150,741	(10,023)	g
Accumulated funds	(33,042)	(34,817)	(1,775)	
TOTAL EQUITY	266,489	274,038	(7,549)	

Notes:

The following note description relates to variances greater than 10 per cent or \$100,000, or where multiple significant variances have occurred.

- The \$2.62 million increase in cash and deposits from the original budget are mainly due to:
 - \$0.66 million in tax receipts for the refund of goods and services tax
 - \$0.14 million in additional output appropriation received
 - \$1.53 million in the reduction of purchasing goods and services
- The 19,000 decrease in receivables from the original budget is due to the department collecting all internal receivables before the end of the financial year.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

- c. The \$17,000 increase in prepayments from the original budget is due to the payment structure of casual Hansard staff to pay them within 48 hours from the submission of their timesheets as opposed to using the standard fortnightly pay cycle.
- d. The \$9.84 million decrease in property, plant, and equipment from the original budget mainly relates to the 10 million decrease of the value of the Parliament House building and land and the Liberty Square land as a result of asset revaluations conducted in June 2015.
- e. The \$0.12 million difference in Heritage and cultural assets from the original budget is due to including paintings and artwork held throughout Parliament Houses which were originally included in Property, Plant and Equipment.
- f. The \$0.36 million increase in payables from the original budget mainly relates to 0.6 million in accrued expenses which includes 0.39 million of accrued expenses due to a nine day accrual on year end salaries. Note that the Department of the Legislative Assembly has a 10 day pay cycle.
- g. The \$10.02 million decrease in reserves from the original budget entirely relates to the decrease in the asset revaluation reserve due to the revaluation of Parliament House, Parliament House land, and Liberty Square land which resulted in a decrease in value of these assets by 10.02 million.

DEPARTMENT OF THE LEGISLATIVE ASSEMBLY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

	2014-15 Actual	2014-15 Original Budget	Variance	Note
Cash Flow Statement	\$000	\$000	\$000	
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating receipts				
Taxes received	10		10	
Government Transfer Receipts	645		645	a
Appropriation				
Output	23,417	23,275	142	b
Receipts from sales of goods and services	49	37	12	
Total operating receipts	24,121	23,312	809	
Operating payments				
Payments to employees	(14,937)	(14,785)	(152)	
Payments for goods and services	(6,994)	(8,527)	1,533	c
Taxes Paid	(593)		(593)	d
Total operating payments	(22,524)	(23,312)	788	
Net cash from/(used in) operating activities	1,597	-	1,597	
CASH FLOWS FROM INVESTING ACTIVITIES				
Investing receipts				
Proceeds from asset sales	-	2	(2)	
Total investing receipts	-	2	(2)	
Investing payments				
Purchases of assets	(10)	(43)	33	e
Total investing payments	(10)	(43)	33	
Net cash from/(used in) investing activities	(10)	(41)	31	
CASH FLOWS FROM FINANCING ACTIVITIES				
Financing receipts				
Equity injections				
Capital appropriation	41	41	-	
Total financing receipts	41	41	-	
Net cash from/(used in) financing activities	41	41	-	
Net increase/(decrease) in cash held	1,628	-	1,628	
Cash at beginning of financial year	2,355	1,361	994	
CASH AT END OF FINANCIAL YEAR	3,983	1,361	2,622	

Notes:

The following note descriptions relate to variances greater than 10 per cent or \$100,000, or where multiple significant variances have occurred.

- The \$0.65 million increase in Government Transfer Receipts from the original budget is the result of Goods and Services Tax collections on behalf of the Australian Tax Office throughout the year.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

- b. The \$0.14 million increase in output appropriation from the original budget reflects:
 - \$68,000 increase of output appropriation for the net impact of Parliament House security initiatives and the transfer of the financial responsibility of the Departments multi functioning devices
 - \$71,000 for receipts from the hiring out of function rooms within Parliament House.
- c. The \$1.53 million decrease in Payments for goods and services from the original budget relates to:
 - \$0.59 million underspend from the Statehood initiative
 - \$0.17 million underspend from the repairs and maintenance programme.
 - \$0.21 million worth of accrued expenses.
 - \$0.31 million transfer of multi functioning device expenditure to the Department of Corporate and Information Services.
- d. The \$0.59 million increase in Taxes Paid from the original budget is the result of Goods and Services Tax paid throughout the year.
- e. The \$33,000 decrease in purchase of assets from the original budget is due to the Department's capital items purchases not being over the \$10,000 capital items threshold and therefore is required to be expensed.