



## DEPARTMENT OF THE LEGISLATIVE ASSEMBLY



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**ANNUAL REPORT 2015 - 2016**

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## LEGISLATIVE ASSEMBLY OF THE NORTHERN TERRITORY

### Office of the Clerk

The Hon Michael Gunner, MLA  
Chief Minister  
Parliament House  
DARWIN NT 0800

Dear Chief Minister

I am pleased to submit to you the 2015-16 annual report for the Department of the Legislative Assembly in accordance with 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 that reads "Michael Tatham".

MICHAEL TATHAM

**Clerk and Chief Executive**

20 September 2016

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## Clerk of the Legislative Assembly's Overview

The Department remains a small cohesive group of professionals working to further parliamentary democracy in the Northern Territory by supporting elected Members of the Legislative Assembly and their staff and maintaining the most recognisable public building in the Northern Territory. To facilitate this approach under our Strategic Plan, the Department of the Legislative Assembly's reporting structure was reviewed during the reporting period resulting in a realignment of reporting channels with the formation of three complementary Divisions.

The Committees and Education Division, the House Division and Member and Corporate Support Division work together to ensure we meet these goals.

The House Division reports directly to me for all Procedural, Hansard, Security and Financial services. The Member and Corporate Support Division reports to the Deputy Clerk and the Committees and Education Division reports to the First Clerk Assistant.

A monthly Board of Management meeting ensures a cohesive approach to the overall management and accountability of the Department and a professional service for Members. Monthly Staff Forums complement the Board meetings and keep all officers informed of management decisions. The forums allow management to listen and consult with staff.

Last year I was pleased to report that Draft Standing Orders were reported to the Committee during that year and were to be presented to the Assembly for consideration and possible adoption. This occurred after considerable effort in refining and redrafting. The final version of the new Standing Orders was adopted by the Assembly from 1 December 2015.

The 12<sup>th</sup> Assembly, perhaps inspired by the wholesale review has already moved two amendments to the Standing Orders. It is my intention to recommend to the incoming 13<sup>th</sup> Assembly in the next reporting period that each successive Assembly adhere to the discipline of a comprehensive review of Standing Orders to ensure they are maintained and up to date to suit the requirements of parliamentary law and practice in the Northern Territory.

During the reporting period the *Know Your Assembly Seminars*, which first commenced in May 2014, have continued to grow with participation reaching 244 in the last year. Demand remains strong for residents of the Northern Territory to learn about how the Assembly functions and the intricacies of the operations of procedure and practice on an Assembly meeting day. The seminars remain available to public servants, legal practitioners, media professionals, lobbyists, industry groups, community sector professionals, 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.

I have continued my visits to, and inspection of, electorate offices, to ensure that entitlements under the Remuneration Tribunal Determination remain relevant and available for when I meet the Tribunal each year to discuss with them the administration of entitlements and the work undertaken by the Members and their staff. During the year I had three meetings with the Tribunal to discuss logistics and delivery of entitlements and thank them for consulting with me and my office on these matters.

Electorate offices remain 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. Last year I advised that there remain challenges with accessibility at some locations to be pursued in the coming year. I can report that due to the redistribution of the electorates within the Northern Territory, we have closed the former Greatorex electorate office in Alice Springs and are sourcing a new office for the Fong Lim electorate as a result of the creation of the Spillett electorate in Darwin and Palmerston has existed from 27 August 2016.

Work continued this year on the annual update of the Speaker's Determinations and the administration of Remuneration Tribunal Determination No.1 of 2015 (RTD), preparation for RTD No 1 of 2016, which is now in place and RTD No. 2 of 2016 which will be tabled in the coming reporting period.

The Northern Territory remains an active member of the Commonwealth Parliamentary Association (CPA) and our Northern Territory Member on the Executive Committee of the CPA is in the middle of her three years of responsibilities which required attendance at two overseas Executive Committee meetings hosted by the CPA. I was privileged to accompany the Member for Goyder (also the Speaker) who is the Northern Territory's representative and provide logistical and material support for her at meetings.

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 identified a range of savings including deleting unused IT licences after an audit which will reduce waste and save scarce funds.

More than 580 functions were held at Parliament House during the reporting period and the building remains a popular venue for a range of events. The Speaker is committed to the building being used by the public but not as an alternative low cost competitor to the private functions market. This was reflected in the revenue for private functions this year.

The Office of the Clerk and the Table Office continue to support the Members and the Speaker by providing content for the regular *Procedural Bulletin* produced after each meeting week of the Assembly. These contain precedents, rulings and an explanation of procedures. Scripts and precedents were prepared for each meeting day in the Assembly as requested and work is underway to prepare the Members of the 13<sup>th</sup> Assembly with training and information packages.

Members were surveyed on 19 November 2015 against ten key 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. A marked improvement was noted in satisfaction relating to whole of government shared information technology services and my thanks go to the Department of Corporate and Information Services for their continued cooperation and effort to improve satisfaction in this service delivery area.

Member Travel Services also experienced an improved satisfaction rating with the most significant decline in satisfaction (by three percentage points down from 95% satisfaction in 2014 to 92% satisfaction in 2015) for Building Services. Work is being undertaken to address concerns in this area to ensure Members and the public have a high level of satisfaction with the amenity of the building.

Improvements with satisfaction were recorded for Committee Services, ICT services, Travel Services, HR Services and Business Support Services.

Last year our Open Day recorded its highest ever attendance receiving more than 1200 guests on the day and work is underway to consolidate that achievement and attract more people to the building for the 2016 Open Day.

It remains a source of pride that the Northern Territory Parliament is open and accessible to as many visitors as possible. Our free public tours remain well patronised and visitors continue to rate the experience highly. Parliament House is #20 of 112 things to do in Darwin on Trip Advisor and I think this can easily be improved upon next year. Ignore the button on there that says 'book a tour for AUD\$90' because the public tours of Parliament House are free!

Once again I must thank the Speaker and her staff for their professionalism and dedication to parliamentary practice and all Members and their staff who continue to make use of my office as a resource for procedural and administrative advice.

MICHAEL TATHAM  
**Clerk and Chief Executive**

## Functions and Objectives of the Agency

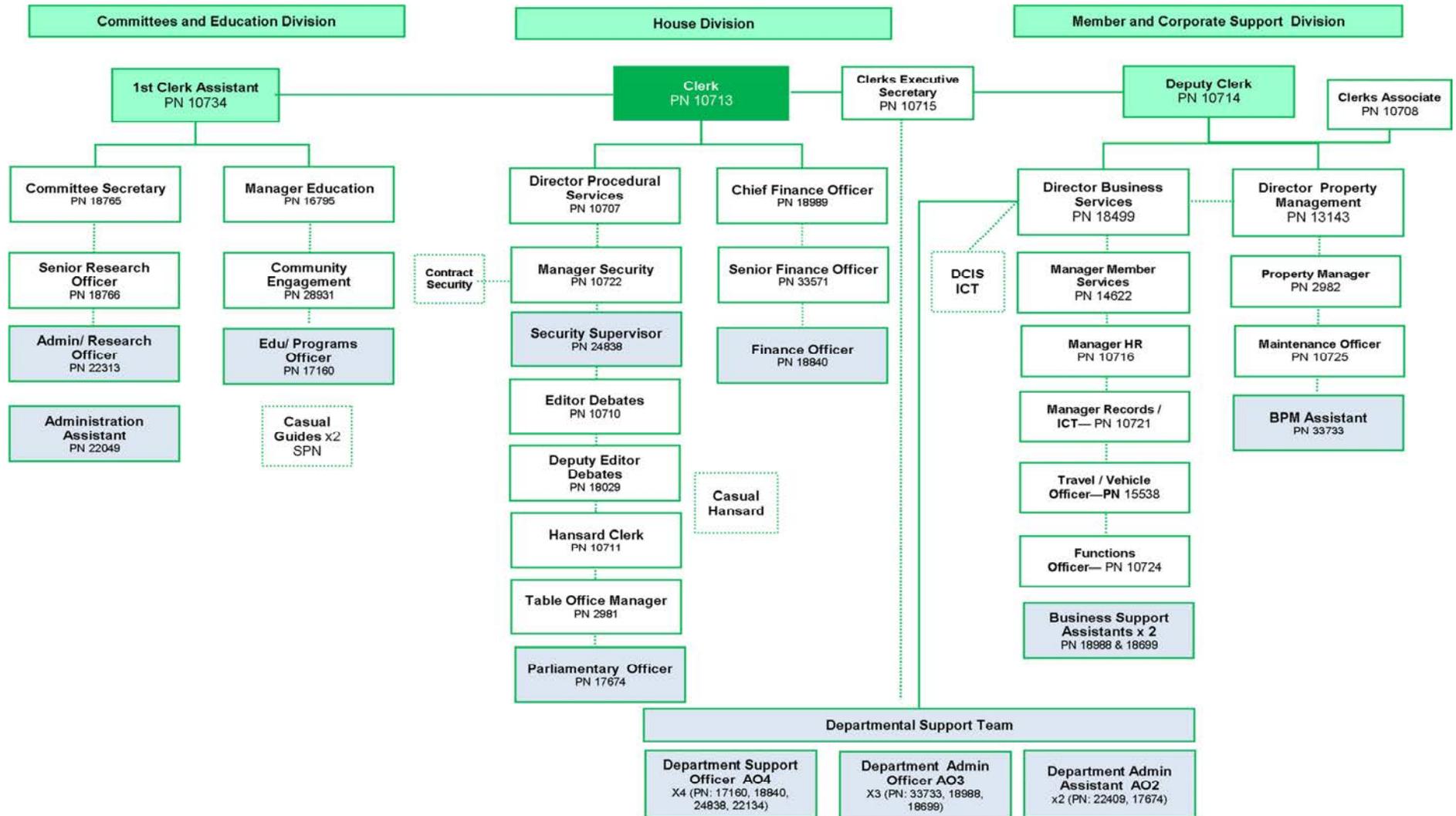
The function of the agency is to facilitate the operations of the Legislative Assembly to make laws for the peace, order and good government of the Northern Territory.

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 Department of Corporate and Information Services (DCIS) Information and Communication Technology (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, Diploma in Legal Practice 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 Bachelor of Laws, 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 and Education)**

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.

### **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, Manager 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

At 30 June 2016, the agency employed a total of 192 people as per tables below.

The Department of the Legislative Assembly has a funded establishment of 40 positions (3 executive, 36 permanent, and one fixed term), of which 36 positions are filled, three are under review, and one is being recruited to. The Office of the Speaker has one position. The Hansard Unit manages a pool of 10 casual staff which is a reduction from 2014-15 due to the implementation of a new model to produce the daily Hansard. The Education Unit manages three casual staff to support peak activity periods.

### *DLA Staff by level*

Level	Headcount
<b>Executive Contracts</b>	<b>3</b>
ECO5	1
ECO3	1
ECO1	1
<b>Senior Administration Officers</b>	<b>9</b>
SAO1	5
SAO2	4
<b>Administration Officers</b>	<b>24</b>
AO2	2
AO3	4
AO4	9
AO5	2
AO6	5
AO7	2
<b>Hansard Casuals</b>	<b>10</b>
AO2	4
AO4	6
<b>Education Casuals (AO4)</b>	<b>3</b>

The Department of the Legislative Assembly is also the employer of electorate office staff, which includes Electorate Officers, Relief Electorate Officers, Electorate Officer Assistants and Electorate Liaison Officers.

There is an FTE equivalent of 25 electorate officers with 30 people in these roles due to job share arrangements.

Liaison Officers for Arnhem Arafura, Daly and Barkly are employed for 15 hours per week in Groote Eylandt Maningrida and Wadeye and Borroloola respectively; the Stuart Liaison Officer is employed for 30 hours per week in Katherine.

Electorate Office Assistants are employed for an average of eight hours per week to a maximum of 104 hours per quarter.

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.

### ***Electorate Offices by position***

<b>Role</b>	<b>Headcount</b>
<b>Members of the Legislative Assembly</b>	<b>25</b>
<b>Electorate Office Staff</b>	<b>104</b>
Electorate Officers	30
Liaison Officers	5
Electorate Office Assistants	23
Casual Electorate Officers	46
<b>TOTAL</b>	<b>129</b>

### **Management and Staff Training**

Eighteen DLA staff and 25 electorate office staff were supported with training and development between 1 July 2015 and 30 June 2016. DLA Security coordinated 23 Parliament House staff to attend fire extinguisher and building warden training, funded by DLA.

A total of 15 training and development activities were undertaken as set out below.

### ***Conferences and Training***

<b>Conference / Training</b>	<b>Attendees</b>
Feedback Training	2
Effective Business Writing	2
In-Design Software	2
Certificate IV in Frontline Management	1
NT Police – Protest Training	7
Fire Extinguisher and Building Warden Training	23
OCPE – Performance Management Conversations	3
Squiz Matrix (Website) – Editor Plus	7
Squiz Matrix (Website) – Administrator Training	1
Priority Management – Electorate Officers	25
Presiding Officers and Clerk Conference, Hobart	1
Commonwealth Parliamentary Association Commonwealth Parliamentary Conference and Executive Committee Meeting, London and Commonwealth Parliamentary Conference	1
Australia and New Zealand Association of Clerks-at-the-Table (ANZACAT) Professional Development Seminar, Wellington	1
Commonwealth Parliamentary Association CPA Executive Committee mid-year meeting and meetings with the Overseas Office, the Office of the Clerk and Committee Secretariats at the House of Commons, London	1
Secondment Program with the Department of the Senate of the Federal Government	1

## Conference Attendance

- The Clerk attended the Australia and New Zealand Association of Clerks-at-the-Table (ANZACAT) Professional Development Seminar, Wellington in January 2016 where he presented one workshop and facilitated another.
- The Deputy Clerk attended the Pacific Parliamentary Development Practitioners Meeting at the New South Wales Parliament in November 2015. The purpose of the meeting was to enhance coordination between practitioners and stakeholders involved in development and parliamentary strengthening in the Pacific.

## Agency Operations

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### House Division

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#### 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:***

- Implementation of a Remuneration Tribunal Determination with changed arrangements for the administration of Members' entitlements
- Providing accurate administrative procedures in support of entitlements introduced by the Remuneration Tribunal Determination
- Maintaining services and standards within tight financial parameters
- Periodic failures of camera robotics that broadcast sittings of the Parliament
- Increased focus on security.

#### ***Achievements during the reporting period:***

- Implementation of new Standing Orders
- Ongoing support for Australian Region Representative of the Commonwealth Parliamentary Association (CPA)
- Successfully hosting the Commonwealth Parliamentary Association's CYP 7 Commonwealth Youth Parliament and Regional Conference
- Hosting a Parliamentary Twinning Program visit from Members of the island nation of Niue's Legislative Assembly
- Support for the Speaker during sittings of the Assembly
- Production of Speakers Procedural Bulletins
- Meeting tabling and reporting requirements of the Remuneration Tribunal Determination  
Development and implementation of the DLA Strategic Plan 2016-2020.

## Procedural Services and Security Unit

Procedural 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. The unit also provides security services and emergency management activities to ensure a safe and secure workplace is provided for Members, Staff,

Parliament House building occupants and visitors.

**Challenges during the reporting period:**

- Recruiting a suitably skilled Deputy Editor of Debates and recruitment and training of a sufficient number of casual Hansard staff to work within a new staffing model
- Maintaining a high level of security services within the operational budget and identifying cost saving initiatives

**Achievements during the reporting period:**

- Trialled and implemented a new staffing model for Hansard to reduce personnel costs while maintaining quality improving timelines
- Introduced more automation into document templates to enhance the timely production of the daily Hansard and prevent work health and safety issues arising
- All Electorate Offices received comprehensive security reviews
- Approximately 190,000 people were security screened prior to entry to Parliament House
- A comprehensive review of security guidelines was conducted to improve security response.

**Parliamentary Legislation Statistics**

	Government	Opposition	Independent	Total
<i>Brought forward 1 July 2015</i>	5	-	-	<b>5</b>
Introduced	44	1	2	<b>47</b>
Withdrawn	1	1	-	<b>2</b>
Defeated	1			<b>1</b>
Passed	44	-	-	<b>44</b>
Acts Assented to	47	-	-	<b>47</b>
<i>Carried forward 30 June 2016</i>	2	1	2	<b>5</b>

**Parliamentary Sitting Statistics**

	2014 - 2015	2015 - 2016
Total sitting hours	264.52	282.19
Average sitting day hours	8.53	11.15
Number of sitting days	31	26
Number of bills passed	45	44
Total questions asked	491	383
Total papers tabled	447	1906

## Finance Unit

The Finance Unit provide strategic advice and tactical management on financial and budgetary matters to the Speaker, the Department's Executive Management and ensure legislative and regulatory compliance for the finance function including management of departmental accounting policies, standards and processes.

### ***Challenges during the reporting period:***

- Meeting the increasing statutory reporting obligations relating to a requirement to increase external audits to report Members' Entitlements from every two years to annually.
- Financial management with limited resources but same number of staff

### ***Achievements during the reporting period:***

- Discharged accountability for the department's financial management activities by being responsible for both the strategic and operational aspects of financial planning, management and record keeping.
- Developed and implemented financial management strategies to ensure compliance with relevant legislation and within budget.

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## Committee and Education Division

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The Committees and Education Division provides support to parliamentary committees to help them fulfil their functions and parliamentary information, education and community awareness 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, and increasing public understanding of and accessibility to parliamentary committees
- Balancing the increased demand for delivering education programs with the development and completion of other major projects.

### ***Achievements during the reporting period:***

- Drafted fourteen reports (and four drafted by the Office of the Clerk), including for inquiries into the use of Ice in the Northern Territory, Funding of Rugby League Facilities, Repairs and Maintenance of Housing on Town Camps, and Electricity Pricing Options
- 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
- Delivered parliamentary education programs to over 10,000 participants, with significant increases to participants in our public tours, school tours, role plays, Know Your Assembly seminars and a successful Open Day
- Compiled a comprehensive directory of online resources for teachers linked to every Knowledge and Understanding descriptor in the new Australian Curriculum for Civics and Citizenship for all years from 3 – 10.

### Committee Activity Supported

Committee	Meetings	Hearings & Visits	Briefings	Reports
Public Accounts	18	9	5	4
House	4	0	0	0
Standing Orders	5	0	0	4
Legal & Constitutional Affairs (includes Subordinate Legislation & Publications functions)	8	0	3	4
Estimates	7	5	0	2
Government Owned Corporations Committee	2	1	0	2
Sessional Committee on The Territory's Energy Future	6	3	2	1
Ice Select Committee	10	6	2	1
<b>Total</b>	<b>60</b>	<b>24</b>	<b>12</b>	<b>18</b>

### Participants in Parliamentary Education Services Programs

Program	Activity	Participants	Total
Public Tours	Saturday and Wednesday tours	2104	
			2104
Schools Programs	Parliament House Tours	3040	
	Bombing of Darwin Tours	160	
	Role Plays	1499	
	Step Up Be Heard	46	
	Outreach Programs	557	
			5302
Special Events	Commonwealth Week	492	
	Careers in Law Forum	114	
	YMCA Youth Parliament	-	
	Commonwealth Youth Parliament	65	
	Statehood Talk	24	
			695
Adult Education	Democracy in the NT	136	
	Know Your Assembly	244	
	Adult Student Tours	255	
	Community/Organisation Tours	272	
			907
Parliament	Open Day	1200	
Promotions	Induction Tours	14	
	Government Dept. Staff Tours	45	
	VIP tours	89	
	General tours	26	
			1374
<b>TOTAL</b>			<b>10,382</b>

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## Member and Corporate Support Division

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### Business Services

The Business Services unit delivers services to both Members of the Assembly and the Department including; procurement, human resources, corporate information management, ICT, telecommunications, travel, vehicles and room hire and bookings at Parliament House.

DCIS oversees outsourced whole-of-government ICT service contracts and provide an ICT Service Manager located at Parliament House to support the Legislative Assembly.

#### ***Challenges during the reporting period:***

- Provision of support to Members and electorate staff to implement changes to entitlement as provided for in Remuneration Tribunal Determination No. 1 of 2015
- Providing opportunities staff to diversify and develop skills to support succession planning and short-term support for backfilling or during peak periods of workflow
- Recruitment of suitably skilled people to fill critical roles due to staff turnover.

#### ***Achievements during the reporting period:***

- Completed the digitisation of all tabled papers for the 11th and 12th Assemblies for inclusion in the corporate records management system and publication on a new DLA Internet
- Implementation of the Legislative Assembly Record Retention and Disposal Schedule (No. 2015/7)
- Installation of the National Broadband Network Fibre to the Basement equipment in Parliament House
- Coordination of 580 bookings for room hire at Parliament House.

### 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
- 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:***

- Repainting of the front of Parliament House.
- Redesign of the main entry security screening point.
- Replacement of lights in the fountain with LED equivalents.
- Replacement of lights in the dining room and Nitmiluk lounge with LED equivalents
- Upgrading external building lights on level with LED equivalents.

## **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.

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## **Strategic and Business Planning**

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The Department's Strategic Plan 2016-21 was implemented on 1 January 2016. It sets out the Department's strategic goals and annual operational priorities.

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 (WPPs) 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.

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## **Risk Management and Audit Committee**

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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 business planning and ongoing review 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.

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 2015-16 Committee membership comprised the Deputy Clerk, the Chief Finance Officer, the First Clerk Assistant, the Director Business Services and an external member from the City of Darwin. The Clerk appoints members, including the Chair of the Committee.

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

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## **Internal and External Scrutiny**

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Two external audits were conducted by the Northern Territory Auditor-General's Office during 2015-16.

In September 2015 a review of accrual accounting aspects of the 30 June 2015 financial data contained in the Agency's Government Accounting System (GAS) ledger was conducted. The findings of this review made recommendation to ensure a fair value of the land and buildings are stated when evaluated independently by the Australian Valuation office.

In May 2016 the Auditor-General undertook an Agency compliance audit for the year ending 30 June 2015. Two minor issues were raised in the report and considered by the department. The Auditor-General's compliance audit confirms that the Department's accounting and control procedures provide reasonable assurance to the Clerk.

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## Performance Management

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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 ensure unit goals are achieved and employees are supported in reaching individual 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.

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.

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## Access to Information

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The Northern Territory *Information Act* deals with how NTPS organisations collect, use and store government and personal information. Two applications for access to information under the Act were received. All applications were responded to within the required timeframe.

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## Privacy

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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.

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## Records and Archives Management

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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.

The Department implemented 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.

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## Legislative Compliance

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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.

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## **Work Health and Safety (WHS) Committee and Activities**

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There are two WHS committees chaired by the DLA WHS Advisor including:

- Work Health and Safety Steering Committee
- Parliament House WHS Committee with representatives from all building workers and Electorate Offices

The WHS Steering Committee provides WHS strategic direction. Four meetings were held 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.

## Member Satisfaction Survey 2015

Members were surveyed on 19 November 2015 against ten key questions relating to Budget Paper 3 and performance measures which are reported against annually. Members were asked to score from 0 to 10 against each question and the results averaged as a percentage. Any score below 80% is a significant concern to the Department. Fifteen responses were received from a possible 25, one more than last year. The result remains fewer than 2013 when 19 responses were returned to the Clerk. Members are advised that each non return counts as 100% satisfaction across all criteria. This permits totally satisfied Members to allow their views to be scored automatically.

In terms of overall results, it is satisfying that the lowest result this year is 92% compared with the 2014 lowest score of 89%.

CATEGORY	2015 Result	2014 Result
<b>PARLIAMENTARY SERVICES</b>		
1. Satisfaction with Chamber Support and Advice	97%	98%
Satisfaction with Records and Transcripts produced	97%	97%
2. Satisfaction with Committee Meetings and Reports	98%	96%
3. Satisfaction with Education Programmes	96%	97%
4. Satisfaction with Building Management Services	92%	95%
5. Satisfaction with Security Services	94%	96%
<b>CORPORATE AND GOVERNANCE</b>		
6. Satisfaction with IT Services (provided by DCIS)	94%	90%
7. Satisfaction with Travel Services	92%	89%
8. Satisfaction with Staffing and HR Services (DLA & DCIS)	94%	89%
Satisfaction with Overall Level of Member Services	Question not asked	93%
9. Satisfaction with timeliness of service delivery in Business Support Services	93%	92%
10. Satisfaction with Financial Reporting	95%	Question not asked

**DEPARTMENT OF THE LEGISLATIVE ASSEMBLY  
FINANCIAL REPORT**

**FINANCIAL STATEMENT OVERVIEW  
For the Year Ended 30 June 2016**

**OVERVIEW**

The 2015-16 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 2015-16 and comparatives for 2014-15 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.

	<b>2015–16 \$000</b>	<b>2014–15 \$000</b>	<b>Variation \$000</b>
Operating Income	25,983	25,711	272
Operating Expenses	29,046	28,798	248
Net Operating Surplus/(Deficit)	(3,063)	(3,087)	24
Other Comprehensive Income	28,884	(10,023)	38,907
<b>Comprehensive Surplus/(Deficit)</b>	<b>25,821</b>	<b>(13,110)</b>	<b>38,931</b>

For the year ended 30 June 2016, the Department reported a net operating deficit of \$3.063 million. However with a net \$28.88 million increase in the value of land and building, the Department reported a comprehensive surplus of \$25.82 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 \$3.063 million in operational deficit for the year was largely attributed to \$3.554 million in depreciation being non-cash in nature and unfunded expenditure under the annual appropriation, offset by the under expenditure of \$0.471 million against the Repairs and Maintenance budget.

The Department's total income in 2015-16 was \$25.98 million, an increase of \$0.272 primarily due to increased Output Appropriation resulting from increased of Members entitlements following the annual review of the Remuneration Tribunal Determination.

The Department also recognises notional revenue of \$2.25 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.

Expenditure of \$29.05 million in 2015-16 is \$0.248 million higher than the 2014-15 expenditure predominantly due to a \$1.06 million increase in entitlements and salaries for Members of the Legislative Assembly and employee expenses offset by a \$0.402 million decrease in repairs and maintenance expenditure and a \$0.39 million decrease in depreciation expense as a result of the revaluation of Parliament House on 30 June 2016.

**DEPARTMENT OF THE LEGISLATIVE ASSEMBLY  
FINANCIAL REPORT**

**Balance Sheet**

The Balance Sheet provides a summary of the Department's financial position on assets, liabilities and equity as at 30 June 2016.

	<b>2015-16</b>	<b>2014-15</b>
	<b>(\$'000)</b>	<b>(\$'000)</b>
Assets	294,371	268,342
Liabilities	1,486	1,853
Equity	292,855	266,489

During 2015-16 the Department's total assets increased by \$26.03 million from \$268.34 million to \$294.37 million primarily due to an increase of \$25.33 million in the value of property, plant and equipment due to the revaluation of Parliament House and surrounding land owned by the Department and an increase of \$0.68 million in the cash position.

**Cash Flow Statement**

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

	<b>2015-16</b>	<b>2014-15</b>
	<b>(\$'000)</b>	<b>(\$'000)</b>
Cash at start of year	3,981	2,355
Net movement	683	1,627
Cash at end of year	4,664	3,981

As at 30 June 2016, the Department's cash held of \$4.66 million was \$0.68 million more than at the end of 2014-15. 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 2016 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 and Chief Executive Officer

31 / 08 / 2016



**DIEM TANG**

Chief Financial Officer

31 / 08 / 2016

**DEPARTMENT OF THE LEGISLATIVE ASSEMBLY  
COMPREHENSIVE OPERATING STATEMENT**

**For the year ended 30 June 2016**

	Note	2016	2015
		\$000	\$000
<b>INCOME</b>			
Grants and subsidies revenue			
Current		30	-
Appropriation			
Output		23,497	23,315
Sales of goods and services <sup>(b)</sup>		93	89
Goods and services received free of charge	4	2,254	2,259
Gain on disposal of assets <sup>(a)</sup>	5	-	1
Other income <sup>(b)</sup>		108	48
<b>TOTAL INCOME</b>	<b>3</b>	<b><u>25,982</u></b>	<b><u>25,712</u></b>
<b>EXPENSES</b>			
Employee expenses		15,937	14,877
Administrative expenses			
Purchases of goods and services	6	2,910	2,926
Repairs and maintenance		1,746	2,148
Property Management		2,644	2,643
Depreciation and amortisation	10,11	3,554	3,945
Other administrative expenses <sup>1</sup>		2,254	2,259
<b>TOTAL EXPENSES</b>	<b>3</b>	<b><u>29,045</u></b>	<b><u>28,798</u></b>
<b>NET SURPLUS/(DEFICIT)</b>		<b><u>(3,063)</u></b>	<b><u>(3,086)</u></b>
<b>OTHER COMPREHENSIVE INCOME<sup>(c)</sup></b>			
<b>Items that will not be reclassified to net surplus/deficit</b>			
Changes in asset revaluation surplus		28,884	(10,023)
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b><u>28,884</u></b>	<b><u>(10,023)</u></b>
<b>COMPREHENSIVE RESULT</b>		<b><u>25,821</u></b>	<b><u>(13,109)</u></b>

<sup>1</sup> 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 2016**

	Note	2016	2015
		\$000	\$000
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and deposits	7	4,664	3,981
Receivables	8	97	81
Inventories	9	15	15
Prepayments		19	18
<b>Total Current Assets</b>		<b>4,795</b>	<b>4,095</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	10,12	289,463	264,132
Heritage and cultural assets	11,12	114	115
<b>Total Non-Current Assets</b>		<b>289,577</b>	<b>264,247</b>
<b>TOTAL ASSETS</b>		<b>294,372</b>	<b>268,342</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Deposits held		1	1
Payables	13	364	812
Provisions	15	849	814
<b>Total Current Liabilities</b>		<b>1,214</b>	<b>1,627</b>
<b>Non-Current Liabilities</b>			
Provisions	14	273	227
<b>Total Non-Current Liabilities</b>		<b>273</b>	<b>227</b>
<b>TOTAL LIABILITIES</b>		<b>1,487</b>	<b>1,854</b>
<b>NET ASSETS</b>		<b>292,885</b>	<b>266,488</b>
<b>EQUITY</b>			
Capital		159,388	158,814
Reserves	16	169,603	140,718
Accumulated funds		(36,105)	(33,042)
<b>TOTAL EQUITY</b>		<b>292,886</b>	<b>266,490</b>

*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 2016**

	Note	Equity at 1 July	Comprehensive result	Transactions with owners in their capacity as owners	Equity at 30 June
		\$000	\$000	\$000	\$000
<b>2015-16</b>					
<b>Accumulated Funds</b>		33,042	3,063		36,105
<b>Asset Revaluation Reserve</b>	16	(140,718)	(28,884)		(169,602)
<b>Capital – Transactions with Owners</b>					
Equity injections					
Capital appropriation		(1,323)		(341)	(1,664)
Equity transfers in		(157,534)		(234)	(157,768)
Other equity injections		(350)			(350)
Equity withdrawals					
Capital withdrawal <sup>(d)</sup>		393			393
		(158,814)		(575)	(159,389)
<b>Total Equity at End of Financial Year</b>		<b>(266,490)</b>	<b>(25,821)</b>	<b>(575)</b>	<b>(292,886)</b>
<b>2014-15</b>					
<b>Accumulated Funds</b>		29,956	3,087		33,043
<b>Asset Revaluation Reserve</b>	16	(150,741)	10,023		(140,718)
<b>Capital – Transactions with Owners</b>					
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 <sup>(d)</sup>		393			393
		(157,854)		(960)	(158,814)
<b>Total Equity at End of Financial Year</b>		<b>(278,639)</b>	<b>13,110</b>	<b>(960)</b>	<b>(266,489)</b>

*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 2016**

	Note	2016	2015
		\$000	\$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Operating Receipts</b>			
Grants and subsidies received			
Current		30	-
Appropriation			
Output		23,497	23,315
Receipts from sales of goods and services		772	805
<b>Total Operating Receipts</b>		<b>24,299</b>	<b>24,120</b>
<b>Operating Payments</b>			
Payments to employees		(16,193)	(14,937)
Payments for goods and services		(7,765)	(7,587)
<b>Total Operating Payments</b>		<b>(23,958)</b>	<b>(22,524)</b>
<b>Net Cash From/(Used in) Operating Activities</b>	17	<b>341</b>	<b>1,596</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Investing Payments</b>			
Purchases of assets		-	(10)
<b>Total Investing Payments</b>		<b>-</b>	<b>(10)</b>
<b>Net Cash From/(Used in) Investing Activities</b>		<b>-</b>	<b>(10)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Financing Receipts</b>			
Equity injections			
Capital appropriation		341	41
<b>Total Financing Receipts</b>		<b>341</b>	<b>41</b>
<b>Net Cash From/(Used in) Financing Activities</b>		<b>341</b>	<b>41</b>
Net increase/(decrease) in cash held		682	1,627
Cash at beginning of financial year		3,981	2,355
<b>CASH AT END OF FINANCIAL YEAR</b>	7	<b>4,663</b>	<b>3,982</b>

*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 2016**

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**DEPARTMENT OF THE LEGISLATIVE ASSEMBLY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2016**

**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) Statement of Compliance**

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.

**b) Basis of Accounting**

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 2016**

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 following new and revised accounting standards and interpretations were effective for the first time in 2015-16:

**AASB 1048 Interpretation of Standards** This reflects amended versions of Interpretations arising in relation to amendments to AASB 9 Financial Instruments and consequential amendments arising from the issuance of AASB 15 Revenue from Contracts with Customers. The standard does not impact the financial statements.

**AASB 2013-9 Amendments to Australian Accounting Standards [Part C Financial Instruments]** Part C of this Standard amends AASB 9 Financial Instruments to add Chapter 6 Hedge accounting and makes consequential amendments to AASB 9 and numerous other Standards. The standard does not impact the financial statements.

**AASB 2014-8 Amendments to Australian Accounting Standards arising from AASB 9** This Standard makes amendments to AASB 9 Financial Instruments (December 2009) and AASB 9 Financial Instruments (December 2010). These amendments arise from the issuance of AASB 9 Financial Instruments in December 2014. The standard does not impact the financial statements.

**AASB 2015-3 Amendments to Australian Accounting Standards arising from the withdrawal of AASB 1031 Materiality** The standard completes the withdrawal of references to AASB 1031 in all Australian Accounting Standards and Interpretations, allowing the standard to effectively be withdrawn. The standard does not impact the financial statements.

**AASB 2015-4 Amendments to Australian Accounting Standards – Financial Reporting Requirements for Australian Groups with a Foreign Parent** Amendments are made to AASB 128 Investments in Associates and Joint ventures to require the ultimate Australian entity to apply the equity method in accounting for interests in associates and joint ventures, if either the entity or the group is a reporting entity, or both the entity and group are reporting entities. The standard does not impact the financial statements.

**AASB 2014-1 Amendments to Australian Accounting Standards (Part E - Financial Instruments)** Part E of this Standard defers the application date of AASB 9 Financial Instruments to annual reporting periods beginning on or after 1 January 2018. The standard does not impact the financial statements.

**DEPARTMENT OF THE LEGISLATIVE ASSEMBLY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2016**

The following standards and interpretations are likely to have an insignificant impact on the financial statements for future reporting periods, but the exact impact is yet to be determined:

Standard/Interpretation	Effective for annual reporting periods beginning on or after
AASB 9 Financial Instruments (December 2014), AASB 2014-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)	1 January 2018
AASB 15 Revenue from Contracts with Customers, AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15	1 January 2018
AASB 1056 Superannuation Entities	1 July 2016
AASB 1057 Application of Accounting Standards	1 January 2016
AASB 2015-9 Amendments to Australian Accounting Standards - Scope and Application Paragraphs [AASB 8, 133 and 1057]	1 January 2016
AASB 2015-10 Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128	1 January 2016
AASB 2016-1 Amendments to Australian Accounting Standards- Recognition of Deferred Tax Assets for Unrealised Losses [AASB 112]	1 January 2017

The following standards and interpretations are expected to have a potential impact on the financial statements for future reporting periods:

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Impact
AASB 16 Leases	1 January 2019	Reclassification of operating leases greater than 12 months to finance lease reporting requirements

**DEPARTMENT OF THE LEGISLATIVE ASSEMBLY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2016**

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Impact
AASB 9 Financial Instruments	1 January 2018	Simplified requirements for classification and measurement of financial assets, a new hedging accounting model and a revised impairment loss model to recognise impairment losses earlier as opposed to only when incurred
AASB 2014-1 Amendments to Australian Accounting Standards [Part E Financial Instruments]	1 January 2018	Amends various AAS's to reflect the deferral of the mandatory application date of AASB 9
AASB 2014-4 Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation [AASB 116 and AASB 138]	1 January 2016	Provides additional guidance on how the depreciation or amortisation of property, plant and equipment and intangible assets should be calculated and clarifies that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate.
AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15	1 January 2017	Amends the measurement of trade receivables and the recognition of dividends.
AASB 2014-7 Amendments to Australian Accounting Standards arising from AASB 9	1 January 2018	Amends various AAS's to reflect the changes as a result of AASB 9
AASB 2015-1 Amendments to Australian Accounting Standards - Annual Improvements to Australian Accounting Standards 2012-14 Cycle [AASB 1, 2, 3,5, 7, 11, 110, 119, 121, 133, 134,137 and 140]	1 January 2016	The amendments include AASB 5 change in methods of disposal; AASB 7 Servicing contracts and applicability of the amendments to AASB 7 to condensed interim financial statements; AASB 119 Discount rate: regional market issue and AASB 134 Disclosure of information 'elsewhere in the interim financial.

**c) Reporting Entity**

The financial statements cover the Department as an individual reporting entity.

The Department of the Legislative Assembly (“the Department”) is a Northern Territory department established under the Interpretation Act Administrative Arrangements Order.

The principal place of business of the Department is:

Parliament House  
 Mitchell St  
 Darwin  
 NT, 0800

**DEPARTMENT OF THE LEGISLATIVE ASSEMBLY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2016**

**d) Agency and Territory Items**

The financial statements of 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 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.

**e) Comparatives**

Where necessary, comparative information for the 2014-15 financial year has been reclassified to provide consistency with current year disclosures.

**f) 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. Figures in the financial statements and notes may not equate due to rounding.

**g) Changes in Accounting Policies**

There have been no changes to accounting policies adopted in 2015-16 as a result of management decisions.

**h) 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

**DEPARTMENT OF THE LEGISLATIVE ASSEMBLY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2016**

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:

- Employee Benefits – Note 2(x) 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.
- Property, Plant and Equipment – Note 2(r): The fair value of land, building, infrastructure and property, plant and equipment are determined on significant assumptions of the exit price and risks in the perspective market participant, using the best information available.
- 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(p), Note 8: Receivables and Note 19: 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(l), Note 10: Property, Plant and Equipment, and Note 11.

**i) 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.

**j) 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.

**DEPARTMENT OF THE LEGISLATIVE ASSEMBLY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2016**

**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 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.

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**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.

**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.

**k) Repairs and Maintenance Expense**

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

**l) 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:

	2016	2015
Buildings	80 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.

**m) Interest Expense**

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

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**n) 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.

**o) Inventories**

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

General inventories are valued at the lower of cost and current replacement cost. Cost of inventories includes all costs associated with bringing the inventories to their present 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.

**p) 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 and other receivables within 30 days.

**q) Prepayments**

Prepayments represent payments in advance of receipt of goods and services or that part of expenditure made in one accounting period covering a term extending beyond that period.

**r) 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.

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**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 *<most or 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.

**s) Biological Assets**

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

**t) 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 or whenever there is indication of impairment. 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.

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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.

**u) Assets Held for Sale**

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

**v) 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.

**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.

**w) 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.

**x) 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:

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- 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 <agency> and as such no long service leave liability is recognised in agency financial statements.

**y) Superannuation**

Employees' superannuation entitlements are provided through the:

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

**z) 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.

**aa) 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.

**bb) 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; and payables.

Due to the nature of operating activities, certain financial assets and financial liabilities arise under statutory obligations rather than a contract. Such financial assets and liabilities do not

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meet the definition of financial instruments as per AASB 132 Financial Instruments Presentation. These include statutory receivables arising from taxes including GST and penalties.

**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;
- 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.
- Financial liabilities at fair value through profit or loss include deposits held excluding statutory deposits, accounts payable and accrued expenses. Financial assets at fair value through profit or loss include short-term securities and bonds.

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**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 (p), but exclude statutory receivables.

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

**Financial Liabilities at Amortised Cost**

Financial instrument liabilities measured at amortised cost include all advances received, finance lease liabilities and borrowings. 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.

**cc) 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

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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.

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 Governance		Total	
		2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>INCOME</b>											
Grants and subsidies revenue											
Current		30								30	
Appropriation											
Output		3,451	3,740	13,667	13,381	4,938	4,862	1,441	1,332	23,497	23,315
Goods and services received free of charge	4	179	181	1,897	1,897	179	181			2,255	2,259
Gain on disposal of assets	5						1				1
Other income		79	29	15	8	61	92	46	8	201	137
<b>TOTAL INCOME</b>		<b>3,739</b>	<b>3,950</b>	<b>15,579</b>	<b>15,286</b>	<b>5,178</b>	<b>5,136</b>	<b>1,487</b>	<b>1,340</b>	<b>25,983</b>	<b>25,712</b>
<b>EXPENSES</b>											
Employee expenses		2,617	2,539	11,381	10,427	753	726	1,186	1,186	15,937	14,878
Administrative expenses											
Purchases of goods and services	6	835	609	1,922	2,257	2,541	2,557	255	147	5,553	5,570
Repairs and maintenance				363	698	1,383	1,450			1,746	2,148
Depreciation and amortisation	10,11		3	15	43	3,539	3,899			3,554	3,945
Other administrative expenses <sup>1</sup>		179	174	1,898	1,911	179	174			2,256	2,259
<b>TOTAL EXPENSES</b>		<b>3,631</b>	<b>3,325</b>	<b>15,579</b>	<b>15,336</b>	<b>8,395</b>	<b>8,806</b>	<b>1,441</b>	<b>1,333</b>	<b>29,046</b>	<b>28,800</b>
<b>NET SURPLUS/(DEFICIT)</b>		<b>108</b>	<b>625</b>	<b>0</b>	<b>(50)</b>	<b>(3,217)</b>	<b>(3,670)</b>	<b>46</b>	<b>7</b>	<b>(3,063)</b>	<b>(3,088)</b>
<b>OTHER COMPREHENSIVE INCOME</b>											
Asset Revaluation Reserve						28,884	(10,023)			28,884	(10,023)
<b>COMPREHENSIVE RESULT</b>		<b>108</b>	<b>625</b>	<b>0</b>	<b>(50)</b>	<b>25,667</b>	<b>(13,693)</b>	<b>46</b>	<b>7</b>	<b>25,821</b>	<b>(13,111)</b>

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	2016	2015
	\$000	\$000
<b>4. GOODS AND SERVICES RECEIVED FREE OF CHARGE</b>		
Corporate and information services	2,254	2,259
	<b>2,254</b>	<b>2,259</b>
<b>5. GAIN <sup>(a)</sup> ON DISPOSAL OF ASSETS</b>		
Proceeds from sale of minor assets	-	1
<b>Total Gain on Disposal of Assets</b>	<b>-</b>	<b>1</b>
<b>6. PURCHASES OF GOODS AND SERVICES</b>		
The net surplus/(deficit) has been arrived at after charging the following expenses:		
<b>Goods and services expenses:</b>		
Consultants <sup>(1)</sup>	122	2
Marketing and promotion <sup>(2)</sup>	44	31
Document production	157	143
Legal expenses <sup>(3)</sup>	19	7
Recruitment <sup>(4)</sup>	21	1
Training and study	119	37
Official duty fares	294	417
Travelling allowance	219	221
Accommodation	102	149
Audit Fees	-	-
Communications	216	346
Hospitality	156	106
Information Technology	634	668
Membership and Subscriptions	19	19
Motor Vehicle Expenses	386	440
Office Requisites	82	132
Other Equipment Expenses	250	134
Other	70	73
	<b>2,910</b>	<b>2,926</b>

<sup>(1)</sup> Includes marketing, promotion and IT consultants.

<sup>(2)</sup> Includes advertising for marketing and promotion but excludes marketing and promotion consultants' expenses, which are incorporated in the consultants' category.

<sup>(3)</sup> Includes legal fees, claim and settlement costs.

<sup>(4)</sup> Includes recruitment-related advertising costs.

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	2016	2015
	\$000	\$000
<b>7. CASH AND DEPOSITS</b>		
Cash on hand	5	5
Cash at bank	4,659	3,976
	<b>4,664</b>	<b>3,981</b>
<b>8. RECEIVABLES</b>		
<b>Current</b>		
Accounts receivable	35	29
GST receivables	62	52
	97	81
<b>Non-Current</b>		
Other receivables	-	-
<b>Total Receivables</b>	<b>97</b>	<b>81</b>
<b>9. INVENTORIES</b>		
<b>Inventories Held for Distribution</b>		
At cost	15	15
<b>Total Inventories</b>	<b>15</b>	<b>15</b>

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	2016	2015
	\$000	\$000
<b>10. PROPERTY, PLANT AND EQUIPMENT</b>		
<b>Land</b>		
At fair value	84,910	54,150
<b>Buildings</b>		
At fair value	281,933	284,394
Less: Accumulated depreciation	(77,519)	(74,681)
	204,414	209,713
<b>Infrastructure</b>		
At fair value	106	230
Less: Accumulated depreciation	(3)	(22)
	103	208
<b>Plant and Equipment</b>		
At fair value	2,015	2,015
Less: Accumulated depreciation	(1,978)	(1,954)
	37	61
<b>Leased Computer Software</b>		
At capitalised cost	51	51
Less: Accumulated amortisation	(51)	(51)
	-	-
<b>Computer Hardware</b>		
At cost	37	37
Less: Accumulated depreciation	(37)	(37)
	-	-
<b>Total Property, Plant and Equipment</b>	<b>289,464</b>	<b>264,132</b>

**Property, Plant and Equipment Valuations**

The latest revaluations as at 30 June 2016 were independently conducted. The valuer was Colliers International. Refer to Note 12: Fair Value Measurement of Non-Financial Assets for additional disclosures.

**Impairment of Property, Plant and Equipment**

Agency property, plant and equipment assets were assessed for impairment as at 30 June 2016. No impairment adjustments were required as a result of this review.

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**NOTES TO THE FINANCIAL STATEMENTS**

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**10. PROPERTY, PLANT AND EQUIPMENT (continued)**

**2016 Property, Plant and Equipment Reconciliations**

A reconciliation of the carrying amount of property, plant and equipment at the beginning and end of 2015-16 is set out below:

	Land	Buildings	Infrastructure	Plant and Equipment	Total
	\$000	\$000	\$000	\$000	\$000
Carrying Amount as at 1 July 2015	54,150	209,713	209	61	264,133
Depreciation/Amortisation		(3,526)	(3)	(25)	(3,554)
Revaluation increments/(decrements)	30,760	(1,772)	(103)		28,885
<b>Carrying Amount as at 30 June 2016</b>	<b>84,910</b>	<b>204,415</b>	<b>103</b>	<b>36</b>	<b>289,464</b>

**2015 Property, Plant and Equipment Reconciliations**

A reconciliation of the carrying amount of property, plant and equipment at the beginning and end of 2014-15 is set out below:

	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/Amortisation		(3,884)	(3)	(53)	(3)	(3,943)
Additions/(Disposals) from asset transfers		255	106			361
Revaluation increments/(decrements)	(1,850)	(8,173)				(10,023)
<b>Carrying Amount as at 30 June 2015</b>	<b>54,150</b>	<b>209,713</b>	<b>209</b>	<b>61</b>	<b>-</b>	<b>264,133</b>

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	2016	2015
	\$000	\$000
<b>11c. HERITAGE AND CULTURAL ASSETS</b>		
<b>Carrying amount</b>		
At valuation	137	137
Less: Accumulated depreciation	(23)	(22)
Written down value – 30 June	<b>114</b>	<b>115</b>
<b>Reconciliation of movements</b>		
Carrying amount at 1 July	115	106
Additions	-	10
Depreciation	(1)	(1)
<b>Carrying amount as at 30 June</b>	<b>114</b>	<b>115</b>

**Impairment of Heritage and Cultural Assets**

Agency heritage and cultural assets were assessed for impairment as at 30 June 2016. No impairment adjustments were required as a result of this review.

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**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	Level 2	Level 3	Total Fair Value
	\$000	\$000	\$000	\$000
<b>2015-16</b>				
<b>Asset Classes</b>				
Land		84,910		84,910
Buildings			204,415	204,415
Infrastructure			103	103
Plant and Equipment			36	36
Heritage and Cultural			114	114
<b>Total</b>	-	<b>84,910</b>	<b>204,668</b>	<b>289,578</b>
<b>2014-15</b>				
<b>Asset Classes</b>				
Land		54,150		54,150
Buildings			209,712	209,712
Infrastructure			208	208
Plant and Equipment			61	61
Heritage and Cultural			115	115
<b>Total</b>	-	<b>54,150</b>	<b>210,096</b>	<b>264,246</b>

There were no transfers between Level 1 and Levels 2 or 3 during 2015-16.

**b) Valuation Techniques and Inputs**

Valuation techniques used to measure fair value in 2015-16 are:

	Level 2	Level 3
	Techniques	Techniques
<b>Asset Classes</b>		
Land	Market	
Buildings		Cost

**DEPARTMENT OF THE LEGISLATIVE ASSEMBLY**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 30 June 2016**

Infrastructure	Cost
Plant and Equipment	Cost
Heritage and Cultural	Cost

There were no changes in valuation techniques from 2014-15 to 2015-16.

Colliers International provided valuations for the land, buildings and infrastructure assets. All other assets are valued at depreciated cost

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
<b>2015-16</b>					
Fair value as at 1 July 2014	209,713	209	61	-	115
Depreciation	(3,526)	(3)	(25)		(1)
Revaluation Increments/(Decrements)	(1,772)	(103)			
<b>Fair value as at 30 June 2015</b>	<b>204,415</b>	<b>103</b>	<b>36</b>	<b>-</b>	<b>114</b>
<b>2014-15</b>					
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)				
<b>Fair value as at 30 June 2015</b>	<b>209,713</b>	<b>209</b>	<b>61</b>	<b>-</b>	<b>115</b>

**DEPARTMENT OF THE LEGISLATIVE ASSEMBLY**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 30 June 2016**

**(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.

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

**DEPARTMENT OF THE LEGISLATIVE ASSEMBLY**  
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	2016	2015
	\$000	\$000
<b>13. PAYABLES</b>		
Accounts payable	144	210
Accrued expenses	220	602
<b>Total Payables</b>	<b>364</b>	<b>812</b>
<b>14. PROVISIONS</b>		
<b>Current</b>		
Employee benefits		
Recreation leave	561	510
Leave loading	94	89
Other employee benefits	6	-
Other current provisions		
Other provisions	187	215
	848	814
<b>Non-Current</b>		
Employee benefits		
Recreation Leave	273	227
	273	227
<b>Total Provisions</b>	<b>1,121</b>	<b>1,041</b>

The Agency employed 94 employees as at 30 June 2016 (92 employees as at 30 June 2015).

**DEPARTMENT OF THE LEGISLATIVE ASSEMBLY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2016**

	2016	2015
	\$000	\$000
<b>15. OTHER LIABILITIES</b>		
<b>Current</b>		
Other liabilities	1	1
	1	1
<b>Total Other Liabilities</b>	1	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	140,718	150,741
Increment/(Decrement) – land	30,760	(1,850)
Increment/(Decrement) – buildings	(1,772)	(8,173)
Increment/(Decrement) – Infrastructure	(103)	(8,173)
<b>Balance as at 30 June</b>	<b>169,603</b>	<b>132,545</b>

**17. NOTES TO THE CASH FLOW STATEMENT**

**Reconciliation of Cash**

The total of agency 'Cash and deposits' of \$4,664,000 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**

<b>Net Surplus/(Deficit)</b>	(3,063)	(3,087)
<i>Non-cash items:</i>		
Depreciation and amortisation	3,554	3,945
R&M - Minor New Work Non Cash	234	559

**DEPARTMENT OF THE LEGISLATIVE ASSEMBLY**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 30 June 2016**

Decrease/(Increase) in receivables	(15)	74
Decrease/(Increase) in prepayments	(1)	9
(Decrease)/Increase in payables	(448)	198
(Decrease)/Increase in provision for employee benefits	109	(7)
(Decrease)/Increase in other provisions	(28)	(96)
<b>Net Cash from Operating Activities</b>	<b>342</b>	<b>1,595</b>

**18. 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 instruments held by the Department of the Legislative Assembly include cash and deposits, receivables, and payables. The Department of the Legislative Assembly has limited exposure to financial risks as discussed below.

**a) Categorisation of Financial Instruments**

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

**2015-16 Categorisation of Financial Instruments**

	Designated at fair value	Total
	\$000	\$000
Cash and deposits	4,664	4,664
Receivables <sup>1</sup>	97	97
<b>Total Financial Assets</b>	<b>4,761</b>	<b>4,761</b>
Deposits held <sup>1</sup>	1	1
Payables <sup>1</sup>	364	364
<b>Total Financial Liabilities</b>	<b>365</b>	<b>365</b>

1.Total amounts disclosed here exclude statutory amounts

**DEPARTMENT OF THE LEGISLATIVE ASSEMBLY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2016**

**2014-15 Categorisation of Financial Instruments**

---

	Designated at fair value	<b>Total</b>
	\$000	\$000
Cash and deposits	3,981	3,981
Receivables <sup>1</sup>	81	81
<b>Total Financial Assets</b>	<b>4,062</b>	<b>4,062</b>
Deposits held <sup>1</sup>	1	1
Payables <sup>1</sup>	812	812
<b>Total Financial Liabilities</b>	<b>813</b>	<b>813</b>

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1.Total amounts disclosed here exclude statutory amounts

DEPARTMENT OF THE LEGISLATIVE ASSEMBLY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2016

**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.

<b>Internal Receivables</b>	Aging of	Aging of	Net
	Receivables	Impaired Receivables	Receivables
	\$000	\$000	\$000
<b>2015-16</b>			
Not overdue	-		-
Overdue for less than 30 days	-		-
Overdue for 30 to 60 days	-		-
Overdue for more than 60 days	-		-
<b>Total</b>	<b>-</b>		<b>-</b>
<b>2014-15</b>			
Not overdue	-		-
Overdue for less than 30 days	-		-
Overdue for 30 to 60 days	-		-
Overdue for more than 60 days	-		-
<b>Total</b>	<b>-</b>		<b>-</b>

**DEPARTMENT OF THE LEGISLATIVE ASSEMBLY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2016**

<b>External Receivables</b>	Aging of Receivables	Aging of Impaired Receivables	Net Receivables
	\$000	\$000	\$000
<b>2015-16</b>			
Not overdue	70		70
Overdue for less than 30 days	1		1
Overdue for 30 to 60 days	2		2
Overdue for more than 60 days	24		24
<b>Total</b>	<b>97</b>		<b>97</b>
<b>2014-15</b>			
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
<b>Total</b>	<b>81</b>		<b>81</b>

**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.

**DEPARTMENT OF THE LEGISLATIVE ASSEMBLY**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 30 June 2016**

**2016 Maturity analysis for financial assets and liabilities**

		Variable Interest Rate			Fixed Interest Rate					
		Less than a Year	1 to 5 Years	More than 5 Years	Less than a Year	1 to 5 Years	More than 5 Years	Non Interest Bearing	Total	Weighted Average
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	%
<b>Assets</b>										
	Cash and deposits							4664	4664	
	Receivables							97	97	
<b>Total</b>	<b>Financial Assets</b>							<b>4761</b>	<b>4761</b>	
<b>Liabilities</b>										
	Deposits held							-1	-1	
	Payables							-364	-364	
<b>Total</b>	<b>Financial Liabilities</b>							<b>-365</b>	<b>-365</b>	

**2015 Maturity analysis for financial assets and liabilities**

		Variable Interest Rate			Fixed Interest Rate					
		Less than a Year	1 to 5 Years	More than 5 Years	Less than a Year	1 to 5 Years	More than 5 Years	Non Interest Bearing	Total	Weighted Average
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	%
<b>Assets</b>										
	Cash and deposits							3981	3981	
	Receivables							81	81	
<b>Total</b>	<b>Financial Assets</b>							<b>4062</b>	<b>4062</b>	
<b>Liabilities</b>										
	Deposits held							-1	-1	
	Payables							-812	-812	
<b>Total</b>	<b>Financial Liabilities</b>							<b>-813</b>	<b>-813</b>	

## DEPARTMENT OF THE LEGISLATIVE ASSEMBLY

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2016

#### **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 is not exposed to interest rate risk as agency financial assets and financial liabilities non-interest bearing.

##### **(ii) Price Risk**

The Department of the Legislative Assembly is not exposed to price risk as the 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.

**DEPARTMENT OF THE LEGISLATIVE ASSEMBLY**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 30 June 2016**

	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
<b>2016</b>					
<b>Financial Assets</b>					
Cash and Deposits	4664	4664			4664
Receivables	97	97			97
<b>Total Financial Assets</b>	<b>4761</b>	<b>4761</b>			<b>4761</b>
<b>Financial Liabilities</b>					
Deposits Held	-1	-1			-1
Payables	-364	-364			-364
<b>Total Financial Liabilities</b>	<b>-365</b>	<b>-365</b>			<b>-365</b>
<b>2015</b>					
<b>Financial Assets</b>					
Cash and Deposits	3,981	3,981			3,981
Receivables	81	81			81
<b>Total Financial Assets</b>	<b>4,062</b>	<b>4,062</b>			<b>4,062</b>
<b>Financial Liabilities</b>					
Deposits Held	-1	-1			-1
Payables	-812	-812			-812
<b>Total Financial Liabilities</b>	<b>-813</b>	<b>-813</b>			<b>-813</b>

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.

**DEPARTMENT OF THE LEGISLATIVE ASSEMBLY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2016**

2016		2015	
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	-	4	-	109
Later than one year and not later than five years	-	0	-	21
	-	<b>4</b>	-	<b>130</b>

**20. CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

The Department of the Legislative Assembly had no contingent liabilities or contingent assets as at 30 June 2016 or 30 June 2015.

**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	Receipts	Payments	Closing Balance
	1 July 2015			30 June 2016
Security deposits	1	-	-	1

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

	Agency		Agency		Territory Items		Territory Items	
	2016	No. of Trans.	2015	No. of Trans.	2016	No. of Trans.	2015	No. of Trans.
	\$000		\$000		\$000		\$000	
<b>Gifts Under the Financial Management Act</b>	-	<b>1</b>						

## 24. BUDGETARY INFORMATION

<b>Comprehensive Operating Statement</b>	2015-16	2015-16	Variance <sup>(c)</sup>	Note <sup>(d)</sup>
	Actual <sup>(a)</sup>	Original Budget <sup>(b)</sup>		
	\$000	\$000	\$000	
<b>INCOME</b>				
Grants and subsidies revenue				
Current	30	-	30	a
Appropriation				
Output	23,497	23,395	102	
Sales of goods and services	93	32	61	b
Goods and services received free of charge	2,254	2,102	152	c
Other income	108	5	103	d
<b>TOTAL INCOME</b>	<b>25,982</b>	<b>25,534</b>	<b>448</b>	
<b>EXPENSES</b>				
Employee expenses	15,937	5,935	2	
Administrative expenses				
Purchases of goods and services	5,554	5,497	57	
Repairs and maintenance	1,746	2,000	(254)	e
Depreciation and amortisation	3,554	4,208	(654)	f
Other administrative expenses	2,254	2,102	152	c
<b>TOTAL EXPENSES</b>	<b>29,045</b>	<b>29,742</b>	<b>(697)</b>	
<b>NET SURPLUS/(DEFICIT)</b>	<b>(3,063)</b>	<b>(4,208)</b>	<b>1,145</b>	
<b>OTHER COMPREHENSIVE INCOME</b>				
<b>Items that will not be reclassified to net surplus/deficit</b>				
Changes in asset revaluation surplus	28,884	-		
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>	<b>28,884</b>	<b>-</b>		
<b>COMPREHENSIVE RESULT</b>	<b>25,821</b>	<b>-</b>		

### Notes:

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

- a. The \$30,000 Grants and Subsidies Revenue is for the Portrait of a Senior Territorian event held in 2015. There were two lots of \$15,000 contribution from the Department of Chief Minister and the Department of Arts and Museums.

- b. Increase of \$61,000 in sales of goods and services revenue from the original budget reflects the increase in Parliament House venue hire for meetings and events.
- c. Increase of \$0.152 million in goods and services free of charge 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.
- d. Increase of \$0.1 million in Other income from the original budget are mainly due to the following:
- \$61,000 from proceeds collected from other Parliaments to attend the 2015 CPA Regional conference.
  - \$17,000 from attendance fees to the Australasian Council of Public Accounts Committees held in 2016 in Alice Springs
  - \$17,000 from Member travel related credits that was received in the 2015-16 financial year that was paid for in 2014-15
- e. Decrease of \$0.25 million decrease of repairs and maintenance from the original budget is due to the completion timing of various projects.
- f. Decrease of \$0.65 million in depreciation from the original budget reflects new depreciation rate of Parliament House subsequent to the valuation conducted on 30 June 2015.

<b>Balance Sheet</b>	2015-16	2015-16	Variance <sup>(c)</sup>	Note <sup>(d)</sup>
	Actual <sup>(a)</sup>	Original Budget <sup>(b)</sup>		
	\$000	\$000	\$000	
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and deposits	4,664	2,355	2,309	a
Receivables	97	155	(58)	b
Inventories	15	15	-	
Prepayments	19	26	(7)	
<b>Total current assets</b>	<b>4,795</b>	<b>2,551</b>	<b>2,244</b>	
<b>Non-current assets</b>				
Property, plant and equipment	289,463	269,764	19,699	c
Heritage and cultural assets	114	-	114	d
<b>Total non-current assets</b>	<b>289,577</b>	<b>269,764</b>	<b>19,813</b>	
<b>TOTAL ASSETS</b>	<b>294,372</b>	<b>272,315</b>	<b>22,057</b>	
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Deposits held	1	-	1	
Payables	364	342	22	
Provisions	849	1,143	(294)	
<b>Total current liabilities</b>	<b>1,214</b>	<b>1,485</b>	<b>(271)</b>	
<b>Non-current liabilities</b>				
Provisions	273	273	-	
<b>Total non-current liabilities</b>	<b>273</b>	<b>273</b>	<b>(294)</b>	
<b>TOTAL LIABILITIES</b>	<b>1,487</b>	<b>1,758</b>	<b>(565)</b>	
<b>NET ASSETS</b>	<b>292,885</b>	<b>270,557</b>	<b>22,622</b>	
<b>EQUITY</b>				
Capital	159,388	158,636	752	
Reserves	169,603	150,741	18,862	e
Accumulated funds	(36,105)	(38,820)	2,715	
<b>TOTAL EQUITY</b>	<b>292,886</b>	<b>270,557</b>	<b>22,329</b>	

**Notes:**

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

- a. The \$2.31 million increase in cash and deposits from the original budget are mainly due to:
- \$0.58 million in tax receipts for the refund of goods and services tax
  - \$0.1 million in additional output appropriation received
  - \$0.27 million in the reduction of purchasing goods and services
  - \$0.26 million in the reduction of payments to employees
  - \$0.16 million in additional receipts from the sales of goods and services
  - \$0.3 million in additional capital appropriation received
  - \$1.63 million additional cash balance carried over from the 2014-15 financial year

These items are explained in detail in the cash flow statement comparison

- b. The 58,000 decrease in receivables from the original budget is due to the department collecting all internal receivables before the end of the financial year. The nature of receivables balance as at 30 June 2016 relates to the timing of operational activities and the timing of debtors repaying the Department.
- c. The \$19.7 million increase in property, plant, and equipment from the original budget relates to the revaluation of Parliament House and five lots of land owned by the Department during 30 June 2015 and 30 June 2016
- d. The \$0.14 million difference in Heritage and cultural assets from the original budget is due to the department owning paintings and artwork held throughout Parliament House.
- e. The \$18.86 million increase in reserves from the original budget relates to the decrease in the asset revaluation reserve due to the revaluation of Parliament House, Parliament House land, and Liberty Square land in 30 June 2015 which resulted in a decrease in value of these assets by 10.02 million. This is offset with a \$28.99 million increase in the reserve due to the revaluation of three additional lots of land on 30 June 2016.

<b>Cash Flow Statement</b>	2015-16	2015-16	Variance <sup>(c)</sup>	Note <sup>(d)</sup>
	Actual <sup>(a)</sup>	Original Budget <sup>(b)</sup>		
	\$000	\$000	\$000	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Operating receipts</b>				
Taxes received	13	-	13	
Government Transfer Receipts	563	-	563	a
Grants and subsidies received				
Current	30	-	30	b
Appropriation				
Output	23,497	23,395	102	
Receipts from sales of goods and services	196	37	159	c
<b>Total operating receipts</b>	<b>24,299</b>	<b>23,432</b>	<b>867</b>	
<b>Operating payments</b>				
Payments to employees	(16,193)	(15,935)	(258)	
Payments for goods and services	(7,765)	(7,497)	(268)	
<b>Total operating payments</b>	<b>(23,958)</b>	<b>(23,432)</b>	<b>(526)</b>	
<b>Net cash from/(used in) operating activities</b>	<b>341</b>	<b>-</b>	<b>341</b>	
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Investing receipts</b>				
Proceeds from asset sales	-	2	(2)	
<b>Total investing receipts</b>	<b>-</b>	<b>2</b>	<b>(2)</b>	
<b>Investing payments</b>				
Purchases of assets	-	(43)	43	
<b>Total investing payments</b>	<b>-</b>	<b>(43)</b>	<b>43</b>	
<b>Net cash from/(used in) investing activities</b>	<b>-</b>	<b>(41)</b>	<b>41</b>	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Financing receipts</b>				
Equity injections				
Capital appropriation	341	41	300	d
<b>Total financing receipts</b>	<b>341</b>	<b>41</b>	<b>300</b>	
<b>Net cash from/(used in) financing activities</b>	<b>341</b>	<b>41</b>	<b>300</b>	
Net increase/(decrease) in cash held	682	-	682	
Cash at beginning of financial year	3,981	2,355	1,626	
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>4,663</b>	<b>2,355</b>	<b>2,308</b>	

**Notes:**

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

- a. The \$0.56 million in Government Transfer Receipts is the result of Goods and Services Tax collections on behalf of the Australian Tax Office throughout the year.
- b. The \$30,000 Grants and subsidies revenue is for the Portrait of a Senior Territorian event held in 2015. There was two lots of \$15,000 contribution from the Department of Chief Minister and the Department of Arts and Museums
- c. The \$0.16 million increase in Receipts from sales of goods and services from the original budget relates to:
  - \$17,000 from attendance fees to the Australasian Council of Public Accounts Committees held in 2016 in Alice Springs
  - \$61,000 from proceeds collected from other Parliaments to attend the 2015 CPA Regional conference.
  - \$17,000 from Member travel related credits that was received in the 2015-16 financial year that was paid for in 2014-15
  - \$17,000 from Building Rental invoice generated from the Speakers' Corner Cafe and the ABC media room
  - \$39,000 from higher than expected venue hire income from functions held in Parliament House
- d. The \$0.3 million increase in Capital appropriation from the original budget relates to a transfer from Output appropriation to Capital appropriation for the replacement of Parliament House Chamber cameras.