

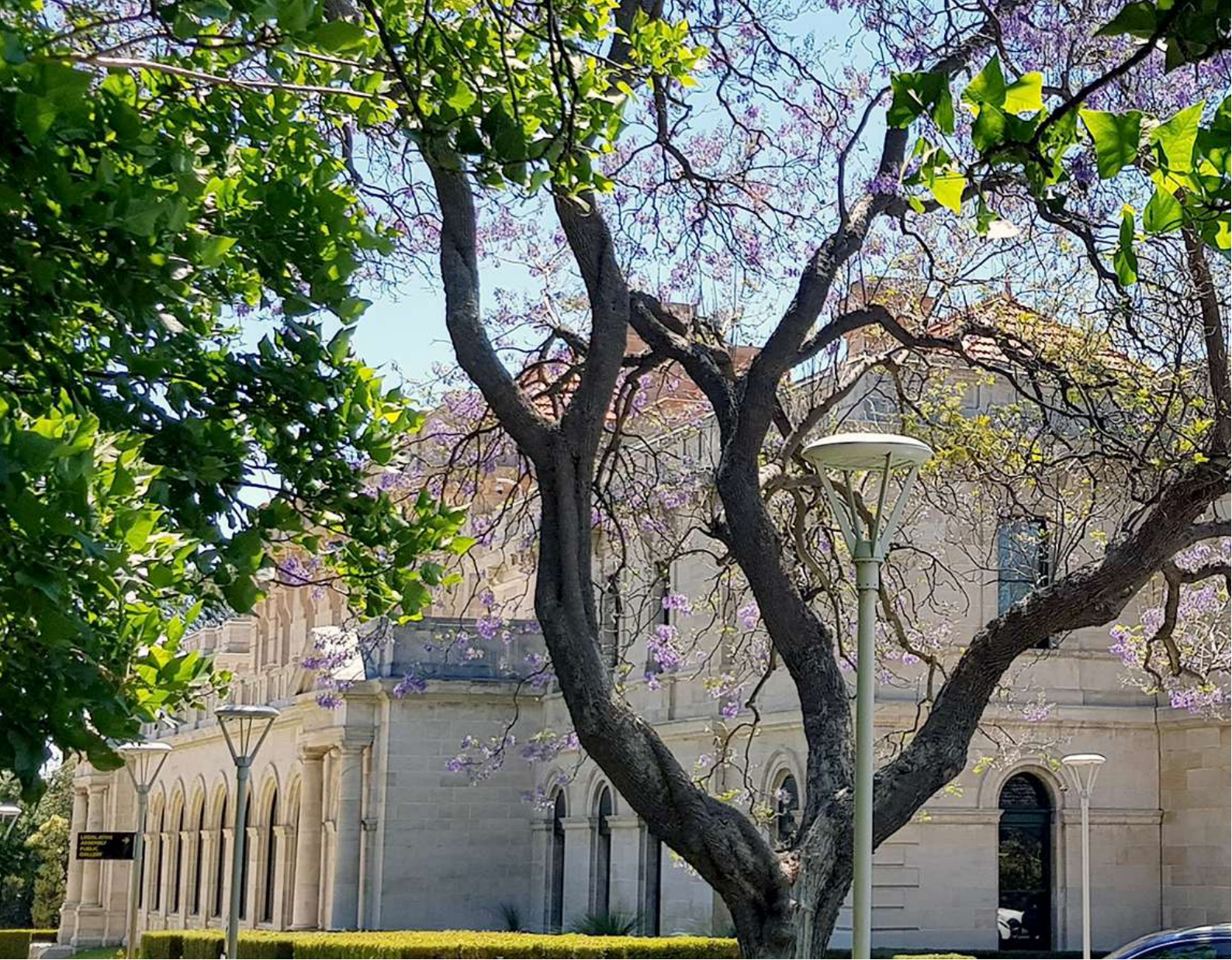


Parliamentary Services Department

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# ANNUAL REPORT

# 2019-20



## Parliamentary Services Department

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Hon Kate Doust, MLC  
*President of the Legislative Council*

Hon Peter Watson, MLA  
*Speaker of the Legislative Assembly*

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I am pleased to present for tabling in each House the Annual Report of the Parliamentary Services Department (PSD) for the year 2019–20.

A full set of audited financial statements, together with the Auditor General's audit opinion, is also attached.

I would like to thank you for your support, as well as the members of the Parliamentary Services Committee for their valuable input into PSD's operations, and, importantly, the staff of the Parliamentary Services Department for their ongoing commitment to the Parliament of Western Australia.

**Rob Hunter**  
Executive Manager Parliamentary Services  
Accountable Officer  
Parliamentary Services Department

23 September 2020

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# Foreword

When we reached the end of June 2020, Parliamentary Services staff breathed a collective sigh of relief. 2019-20 was one of our most challenging years but ultimately also one of our most satisfying.

During the first quarter of the year Parliamentary Services Department staff worked tirelessly to support the Legislative Assembly and Legislative Council pass the very sensitive Voluntary Assisted Dying legislation. During an intense two-month period, with several very late nights, staff performed their roles diligently, ensuring all support services were maintained. This 'once-in-a-decade' type of legislation was highly emotional and with many of our staff having experienced the loss of a loved one to a terminal illness I was extremely proud of the way they maintained objective professionalism as they heard both sides of the debate.

As we closed out 2019 the Parliament encountered a particularly sophisticated cyber-attack. However, due to our partnership with the Australian Cyber Security Centre we were able to defend our systems and no data was compromised.

After an exhausting first half of the financial year the second half was impacted by the COVID-19 pandemic. With action plans to work remotely, and when many organisations were forced to slow down, the Parliament increased its activity to progress emergency legislation. Once again our staff rose to the occasion and with extra sitting days and long nights they demonstrated their flexibility and responsiveness. It was one of our toughest and brightest moments during my time with the department, as staff exceeded my expectations.

This year we were also able to complete several major projects. The old decommissioned fountains were repurposed into office accommodation representing the most significant building project on the Parliamentary Reserve in more than 50 years. The new accommodation embraces the heritage of the original fountain design and provides much needed office space. During January the leaking roof on the eastern side of the 1964 extension was completely replaced within three weeks and without interruption to the working building.

Next year we will replace our Finance system; install security gates to the driveways accessing the forecourt and protest areas; upgrade our IT systems; develop a conservation plan; install universal access parking; and, focus on a broader plan for the Parliamentary Reserve to include more extensive native plantings and community spaces. Of course every four years we also manage the processes to support a State General Election which requires significant work.

I thank Hon Kate Doust, President of the Legislative Council, and Hon Peter Watson, Speaker of the Legislative Assembly, for their ongoing support in the administration of the department.

I wish Mr Speaker a healthy and happy retirement at the next election and congratulate him on his parliamentary career.

Finally, to the staff of the Parliamentary Services Department, thank you for an outstanding year and your individual contribution to our team.

**Rob Hunter**

Executive Manager



# Executive Summary

## Performance highlights

- Maintained a safe environment for building users, transitioned most staff to working from home and supported Parliament during the COVID-19 pandemic.
- Increased physical security infrastructure with the installation of pedestrian access gates at three entrances.
- Completed the three-year Fountains project to restore a heritage asset and provide much-needed accommodation.
- Supported various charities with the provision of 3,500 meals through our partnership with OzHarvest.

## Operational structure

The Parliamentary Services Department is one of three departments that collectively make up the Parliament.

The Parliamentary Services Department delivers services to the Legislative Council, Legislative Assembly, members and staff of the Parliament of Western Australia through the following divisions —

- Member and Operational Services
- Parliamentary Information and Education
- Governance and Finance

The Parliamentary Services Department reports to the Presiding Officers of the Parliament of Western Australia, Hon Kate Doust, MLC,

President of the Legislative Council, and Hon Peter Watson, MLA, Speaker of the Legislative Assembly.

The Parliamentary Services Committee, which is established in each house under Standing Orders, advises the Presiding Officers of any matter under their joint control. The Parliamentary Services Department has a collaborative relationship with the chamber departments to ensure a high standard of service delivery, and participates in a number of cross parliamentary committees to facilitate good communication, consultation and outcomes for the Parliament.

A Management Executive Committee comprising the Presiding Officers, Clerks of both houses and the Executive Manager Parliamentary Services provides strategic oversight of parliamentary facilities and services.

Parliamentary Services participates in the Joint Consultative Committee, a forum for managers and staff; Risk Management Committee, Information Management Committee; Parliament House Art Advisory Committee; Parliamentary History Advisory Committee; Parliamentary Education and Community Relations Committee; and Website Steering Committee.

## Organisational structure

The Parliamentary Services Department undertakes all operations according to its goal and strategic plan and underpinned by its core values.

### Mission

To deliver effective apolitical services to support the operations of the Parliament and its stakeholders.

### Goal

To develop and maintain a skilled, diverse and ethical Department serving the Parliament with consideration of the public interest.

### Strategic plan

The strategic plan comprises four key pillars of 'Investing in our People', 'Managing our Assets', 'Managing Governance and Compliance' and 'Managing Information and Engagement'.

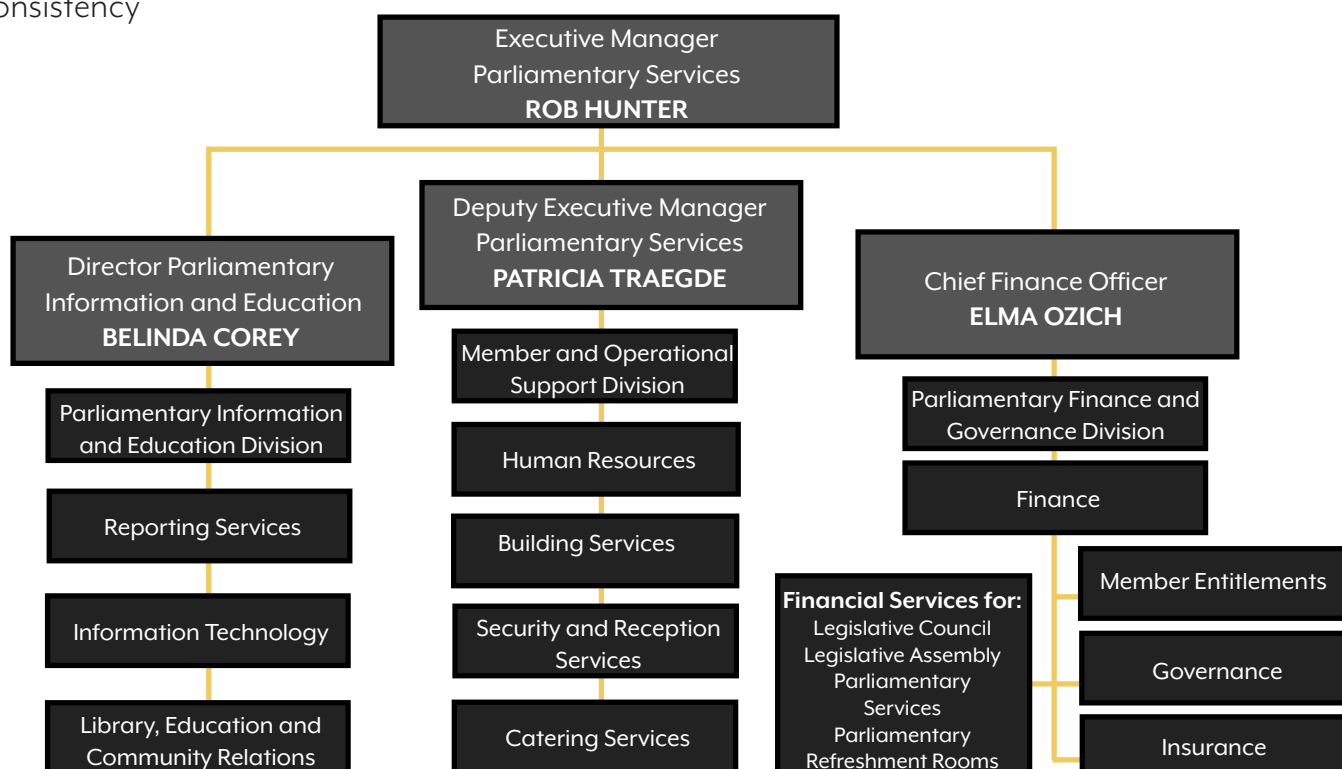
### Values

- Professional: Showing respect and professionalism in all aspects of our work
- Accountable: Being honest and trustworthy in performance of our public duties
- Transparent: Maintaining fairness and consistency

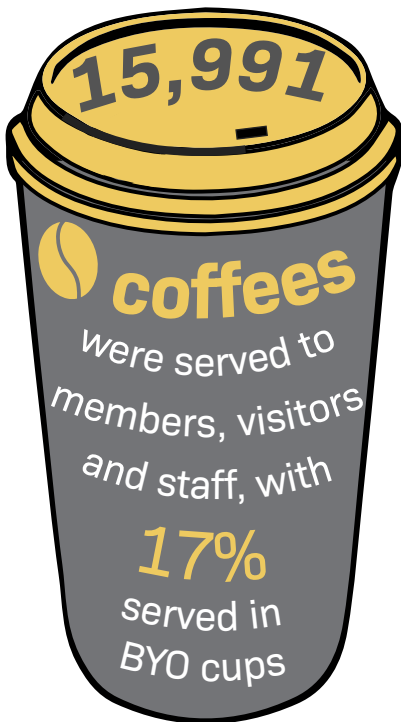
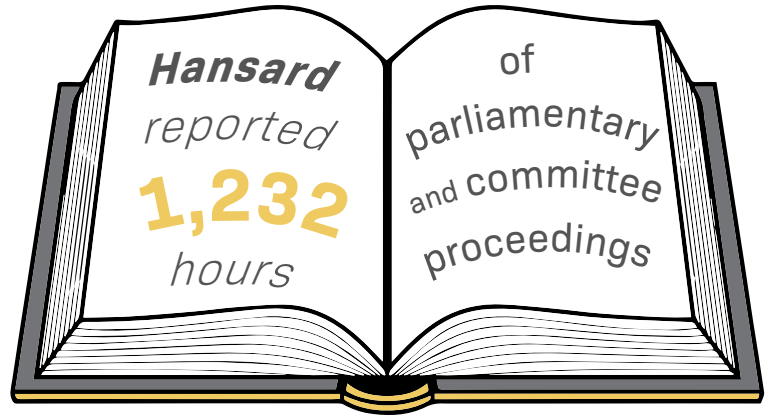
Helpful: Cooperation among teams and with others while always showing encouragement

## Executive Management Group

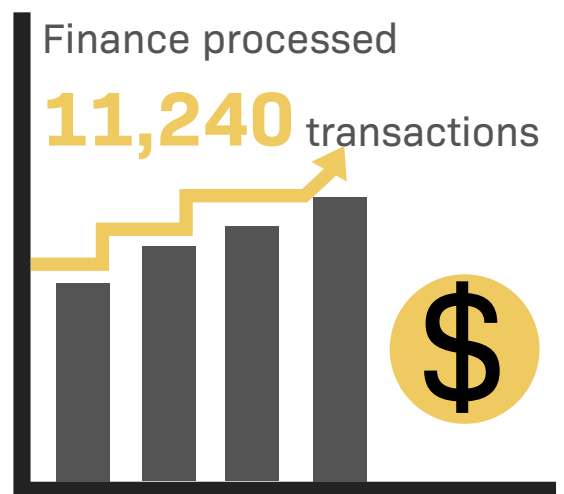
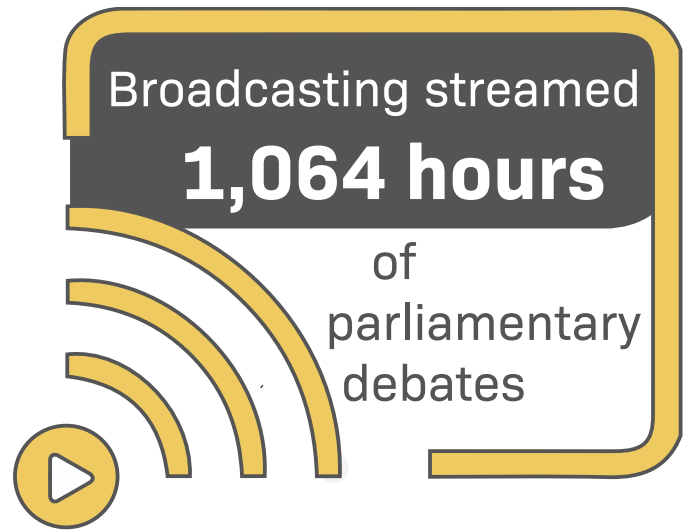
Rob Hunter, Executive Manager Parliamentary Services, is the accountable authority and chief executive officer for the Parliamentary Services Department. He is supported by the Executive Management Group, comprising Patricia Traegde, Deputy Executive Manager and Director Member and Operational Support; Elma Ozich, Chief Finance Officer; and Belinda Corey, Director Parliamentary Information and Education. The Executive Management Group works closely to ensure the ongoing delivery of core services, continued operational efficiency and the development of strategic goals and service improvements, while ensuring strong financial and risk management. The EMG is in turn supported by the Corporate Management Team, a team of specialised managers who are responsible for Parliamentary Services' key business areas.



# Performance at a Glance

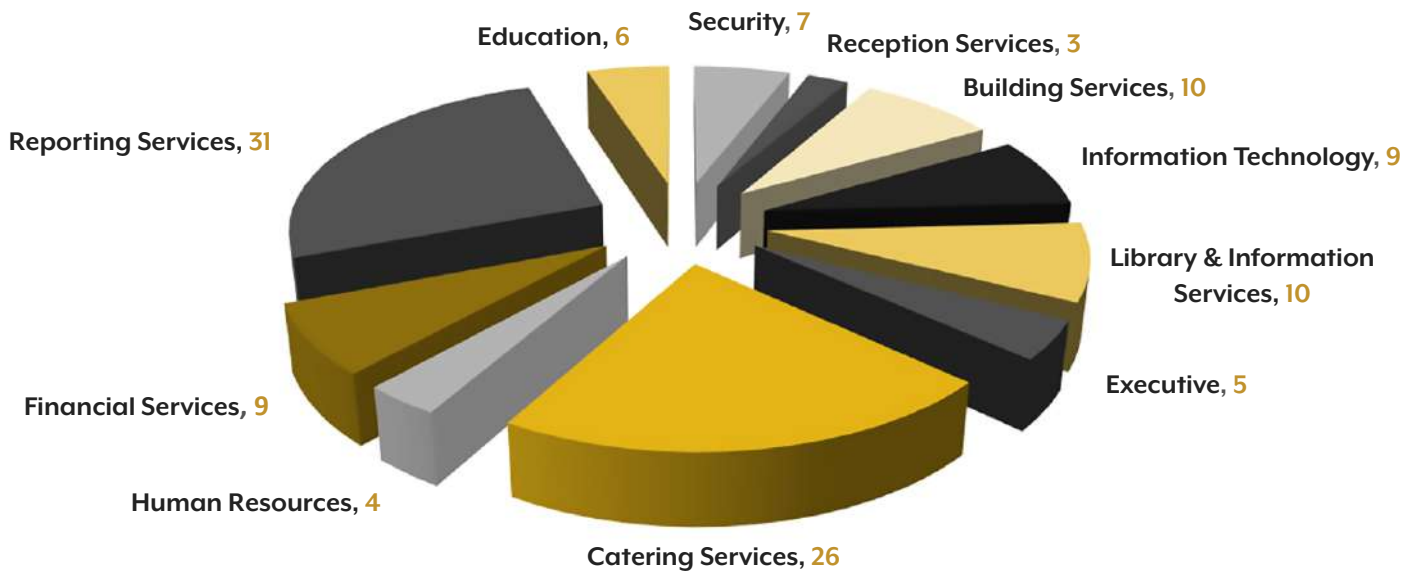






# Staffing

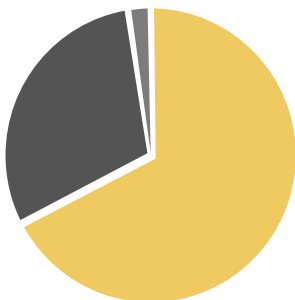
Unit head count at 30 June 2020



Average length of service of **12 years**,  
and an average age of **51 years**.



Staff employment type

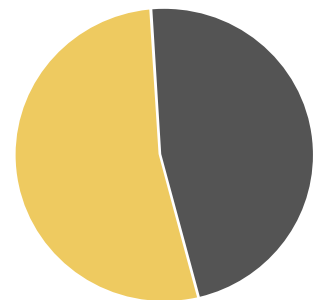


Full time part time casual

Turnover



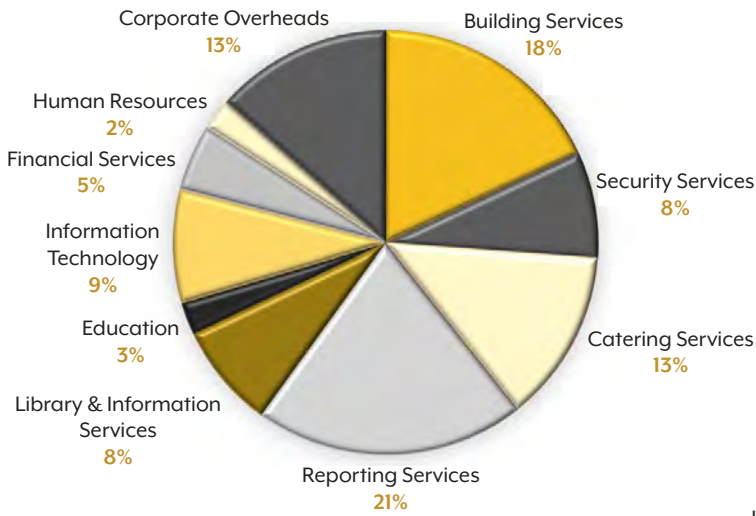
Gender



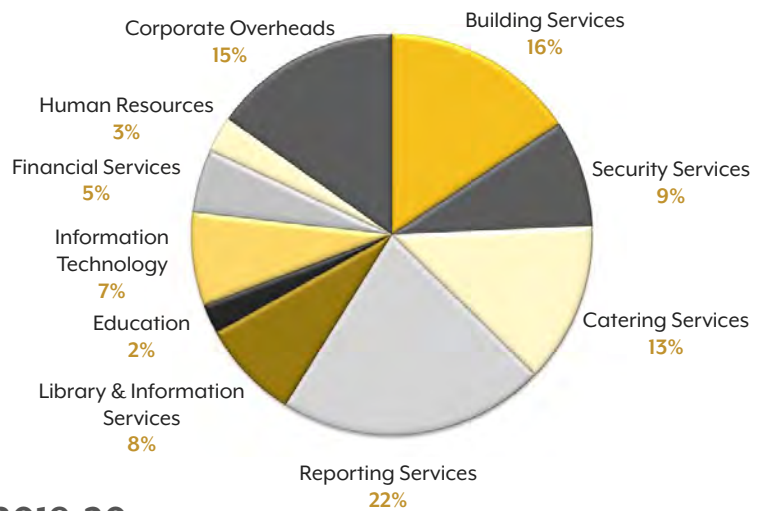
male female

# Expenditure

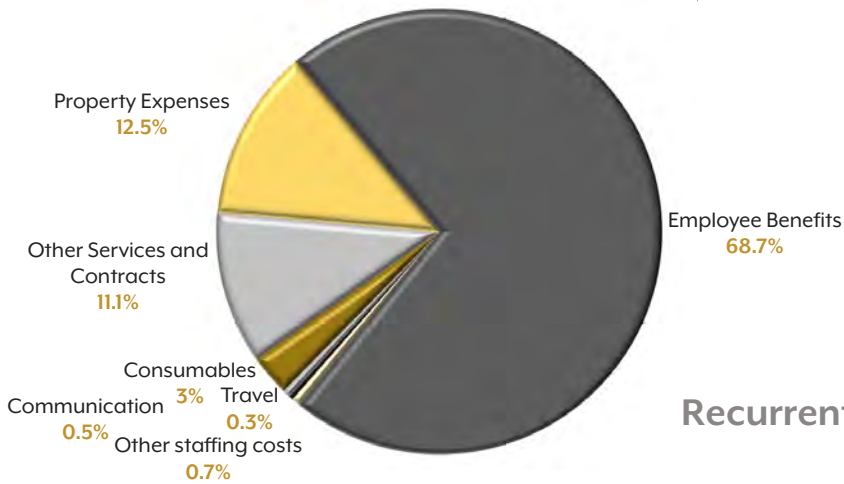
### Recurrent expenditure by unit 2019-20



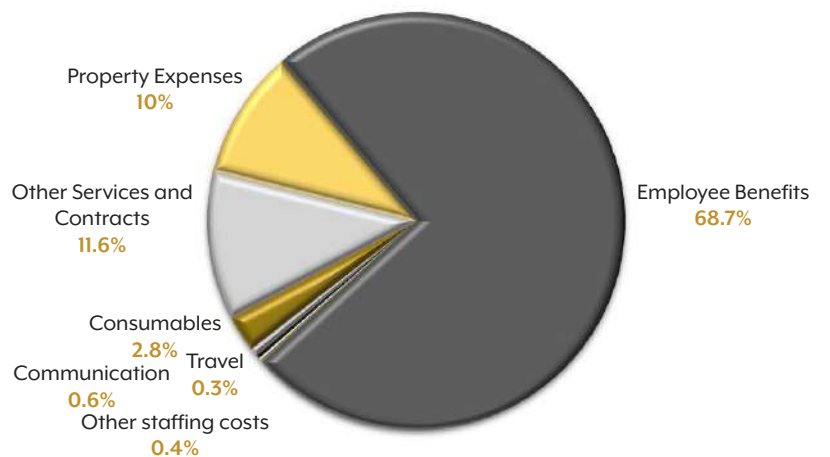
### Recurrent expenditure by unit 2018-19



### Recurrent expenditure by category 2019-20



### Recurrent expenditure by category 2018-19





## Performance Summary

The Parliamentary Services Department conducts activities in accordance with its strategic direction, which outlines the department's strategic outcomes under four key pillars. Parliamentary Services delivered a range of projects and programs to facilitate these outcomes.

### Investing in our People

Outcomes: Provide cross disciplinary cooperation and development and develop an improved safety and security culture

- Continued the health awareness initiative for members and staff with the coordination of two health and wellbeing fortnights.
- Provided support for staff during the passage of the Voluntary Assisted Dying Bill, including the on-site presence of an EAP counsellor in the early stages of the debate, and ensured adherence to fatigue management and occupational safety and health policies.
- Developed and implemented policies for working from home safely and implemented a COVID leave program, guidelines and matrix.

- Finalised negotiations between Parliament and unions and registered the updated General Agreement.
- Implemented new Workplace Issue and Grievance Resolution Policy and Guidelines.

### Managing our Assets

Outcomes: Undertake asset planning at unit level to strengthen management and ensure robust security systems while maintaining public accessibility

- Completed the three-year Fountains project to restore the heritage asset and provide additional accommodation for members and staff.
- Installed pedestrian access gates at the main entrance and two other entrances to improve access control into the building.
- Replaced eastern roof to repair damaged battens and tiles and mitigate ongoing leaking.
- Replaced boiler for Council and Assembly chamber heating system.

- Commenced the upgrade of the eastern grounds, to relocate the visitors parking and provide universal access parking facilities.
- Designed and procured an upgraded CCTV security system to improve responsiveness and integration with the access control system.

## Managing Governance and Compliance

Outcomes: Improved alignment with financial management and improved records management

- Named as a 2019 best practice entity by the Office of the Auditor General.
- Appointed a project manager to commence planning for the replacement of the financial management system.
- Introduced FlexiPurchase corporate cards for Parliamentary Refreshment Rooms, to improve purchasing and approval processes.
- Undertook internal audits on finance process, payroll processes, risk management and business continuity and IT controls.
- Completed a stocktake of 680 items in the Parliament's collection of works of art and ceremonials.
- Upgraded Parliament's electronic document and records management system, Objective.
- Implemented new online learning system for records management and ICT security for new staff.

## Managing Information and Engagement

Outcomes: Identification and assessment of appropriate emerging technology and promotion of Parliament through community engagement

- Developed and implemented at short notice a COVID work from home platform for the majority of Parliament staff.
- Migrated chamber and committee Hansard audio recording system software to new platform.
- Developed and implemented online submissions portal for parliamentary committees.
- Expanded our partnership with OzHarvest by producing 3,500 meals during the pandemic.
- Facilitated management of the Parliament's Facebook account on behalf of the three departments.
- Upgraded the online electorate profiles to align with the 2021 electoral boundaries.
- Visited Port Hedland and Geraldton as part of the Parliamentary Education Office's regional outreach program.
- Published inaugural EMPOWA newsletter for 18–25 year olds.
- Hosted a stall at Have a Go Day during Seniors Week.
- Coordinated an Auslan art tour in association with the Deaf Society and the Art Gallery of WA.
- Partnered with North Metro TAFE animation students to create 'You, Me and Democracy'.



## 2020-21 Strategic Direction

The Parliamentary Services Department reviews its strategic direction annually to determine whether the strategic outcomes are still relevant or current and to adjust to the parliamentary cycle or other opportunities or challenges. The direction has four key pillars that provide overarching areas of focus for the department. A full version of the strategic direction is published on the Parliament's website.

In conjunction with the strategic direction, the department reviews its strategic asset management plan bi-annually. The SAMP is carefully reviewed to ensure that the annual capital allocation of \$1 million is managed to prioritise the many important projects to maintain a modern and contemporary Parliament situated within an ageing heritage building.

The department's capital investment is apportioned across two areas; Infrastructure and Facilities and Information and Services.

Parliamentary Services will be focused on supporting the final six months of sittings for the 40th Parliament and managing the exiting and onboarding of members following the state general election on 13 March 2021.

Additionally the department will implement a new financial management system, develop a dedicated conservation plan for critical infrastructure, upgrade the audio and IT infrastructure in the Legislative Assembly chamber and complete the eastern grounds upgrade.

These objectives will be managed in the context of the COVID-19 pandemic and include a review of our information technology needs, the potential for a return to remote working arrangements and the growing threat of cyber-attacks.

# 2020-21 Strategic Direction

## Investing in Our People

- Developing leadership
- Being a good employer
- Creating resilient, competent and successful staff
- Acknowledging staff achievements

### Strategic Outcome 1

Performance, Leadership and Cross Disciplinary Cooperation and Development

**Target** Improved overall performance and strengthened cooperation among staff

### Strategic Outcome 2

Focus on Service Culture - Professional, Accountable, Transparent and Helpful

**Target** Improved staff awareness of how their role impacts our service culture

## Managing Our Assets

- Strategic asset management
- Managing our buildings and grounds
- Safeguarding our key infrastructure
- Planning for our future needs
- Managing conservation

### Strategic Outcome 1

Asset Planning at Unit Level to Strengthen Management

**Target** Improved PSD planning, including structured plans with organisational perspective

### Strategic Outcome 2

Protection of Parliament's information and IT infrastructure

**Target** Maintaining strong cyber security resilience and awareness

## Managing Governance and Compliance

- Responsible expenditure of public funds
- Compliance with statutory requirements
- Business continuity and risk management
- Records management

### Strategic Outcome 1

Improved Financial Management

**Target** Implementation of FMIS while maintaining existing policy and controls

### Strategic Outcome 2

Adaptability to changing environment (COVID related)

## Managing Information and Engagement

- Communicating with stakeholders
- Maximising technology to improve services
- Maintaining corporate knowledge

### Strategic Outcome 1

Identification and assessment of appropriate emerging technology

**Target** Provision of accessible and appropriate technology to support the operations of Parliament

### Strategic Outcome 2

Support for the transition to the 41st Parliament



## Impact of COVID-19 Pandemic

As with all organisations, the operations of the Parliamentary Services Department were significantly disrupted by the declaration of state of emergency on 15 March 2020 relating to the COVID-19 pandemic. The parliamentary departments activated the crisis management team to oversee the Parliament's response, which included the development of policies relating to illness in the workplace and self-isolation for vulnerable employees, contingency measures for reduced staff presence, a pivot to remote working and additional cleaning and sanitation practices.

The Presiding Officers cancelled all tours and functions from 16 March 2020 and closed the building to visitors and the general public from 23 March 2020. From 6 April 2020 most Parliamentary Services Department staff commenced working from home, while a skeleton building services and security presence was maintained. Most staff returned from 25 May 2020, following the commencement of phase 2 of the COVID-19 WA roadmap.

Throughout this period, Parliament continued to sit to pass emergency legislation relating to the pandemic, and additional sitting days were held during the April school holiday period.

Additional cleaning staff were engaged to clean high-touch points, including door handles and light switches, and areas such as the chambers. Where possible, supplies such as hand sanitiser, gloves and disinfectant were sourced, and cleaning stations were positioned around the Parliament building. In March, Hands on Infection Control provided an information session for members and staff on office hygiene and infection control, including personal hygiene; work practices that prevent the transmission of infection; and effective hand washing technique.

Information Technology developed and deployed a remote desktop environment for 160 staff within a two week period, including upgrading the existing environment, reviewing security and purchasing licences.

The remote working environment comprised three separate environments to maintain the separation between the three departments of the Legislative Council, Legislative Assembly and Parliamentary Services, and provided for a range of business critical applications to be accessed remotely, including Hansard recording, Finance and payroll systems.



Finance and Payroll transitioned to electronic processing of forms and payments, while ensuring necessary controls remained in place, and all point of sale outlets within the building became 'cashless'.

Human Resources worked closely with managers and staff to ensure staff were provided, where possible, with the necessary ergonomic equipment to enable them to safely and effectively undertake their work away from the office. The employee assistance program

continued to be available via phone and Skype to provide support for all staff and members.

Dining services within Parliament were cancelled and takeaway options provided. During the shutdown period, catering staff were engaged in providing meals for OzHarvest, which distributes meals to charities. As at 30 June, the operations of the Parliament were subject to phase 3 restrictions, and the building remained closed to visitors.



## Supporting the Community

When the Presiding Officers made the decision to close the Parliament, the Parliamentary Dining Room also closed. This left Parliament's kitchen staff without any work for the foreseeable future. At the same time, many people in other industries were losing their jobs or employment prospects. Therefore, staff jumped at the opportunity to provide support for the community during this period, turning over the parliamentary kitchens to the preparation of meals that could be distributed to people in need by the food rescue charity OzHarvest.

Kitchen staff maintained their normal rosters over five weeks preparing 3,500 meals that were distributed to a range of charities, including

emergency food relief providers, crisis centres, and drop-in and transitional living centres.

Meals included Thai red chicken and rice, chilli con carne, honey soy sesame chicken, meatballs and pasta, sandwiches, salads and pizza. Over Easter the Catering team also produced 36 dozen hot cross buns.

The OzHarvest project aligned well with Catering's ethos of using Western Australian produce, supporting local business and reducing waste. While the resumption of parliamentary sittings at the end of April caused the program to be suspended, Parliament maintains its partnership with OzHarvest, providing them with leftover food each week.



## Support for the sittings of Parliament

The mission of the Parliamentary Services Department is to provide effective apolitical support to the operations of the Parliament. The last financial year was a challenging period for the Parliament, with the passage of the Voluntary Assisted Dying Bill between August and December 2019, and the onset of COVID in March and emergency legislation to enable the government response to the pandemic. A number of sitting days in April coincided with the closure of the Parliament to visitors and many staff working remotely.

Additional sitting days and hours were scheduled to deal with both issues, and Parliamentary Services needed to ensure that adequate security, catering and reporting services were available. This relied upon the teams working together and supporting each other, as well as being able to respond at short notice to unscheduled or extended sittings.

Rosters needed to be managed to ensure that there were sufficient staff and services available not only during business hours but also into the evening and early morning. Hansard and broadcasting adopted fatigue management rosters to ensure the broadcasting and recording of the debates at all hours, and that Hansard could be produced within hours of the conclusion of the sitting.

The Voluntary Assisted Dying Bill was introduced into the Legislative Assembly on 7 August 2019 and passed the Legislative Council on 7 December. It finally passed both houses on 10 December, after the Legislative Assembly agreed to the 44 amendments made by the Legislative Council. The bill was debated in the Legislative Assembly for 77 hours, including during one sitting lasting 20 hours and 20 minutes, adjourning at 5.21 am on the morning of Friday, 6 September.

There were about 78 hours of debate in the Legislative Council, which sat for extended hours and on Fridays to ensure consideration of the bill could be completed before the Christmas break. Overall, 93 of the 95 members spoke on the bill, with only Madam President and Mr Speaker not taking part in the debate, as is the practice for Presiding Officers.

In the early stages of the Voluntary Assisted Dying Bill, a counsellor from the Parliament's employee assistance provider was available onsite for members and staff, and phone support was available at all other times.

The debate attracted a high level of public interest, with people attending the galleries late into the evening, including people with disabilities or restricted mobility. The Parliament is a heritage building and the chamber galleries are not fully accessible from the public entrance; therefore, additional security staff were rostered to ensure all members of the public could attend the galleries safely.

The sitting schedule for 2020 was disrupted with the onset of the COVID-19 pandemic. The state budget was postponed from May until October, and between 31 March and 30 June, the Government introduced 12 bills in response to the COVID emergency, and passed 11. Both houses adopted temporary standing orders to allow the bills to be debated with reduced speaking times and delays between the stages.

During this period, the Parliament sat an additional four days in April. COVID-19 protocols were in place during this time, with social distancing applying in the chamber. Due to the capacity limits imposed through the protocols, not all members were able to be

present in the chamber, and Hansard reporters reported from the press gallery.

The procedures for divisions were adapted in both chambers. The use of paper was also discouraged throughout Parliament, with Finance and Payroll accepting electronic forms only, and even in the chamber members were required to provide all speech notes and documents to Hansard by email rather than through the chamber officers.

Dining services were cancelled, and Catering provided takeaway options for members and staff. The galleries were closed, which increased the importance of the broadcast and the building was closed to all but members, staff and essential ministerial staff and advisers.

Many support services, such as Human Resources and Finance, were provided remotely, while other areas operated with a reduced on-site presence. Parliamentary Services staff ceased remote working at the end of May and continued to provide support to the sittings of Parliament under phase 3 guidelines.

Over the next year the department will provide support for the last six months of the 40th Parliament, including budget estimates, which was postponed due to COVID. We will then assist the transition to the 41st Parliament, including departing members and induction of new members, and the opening of the new Parliament.



## Fountains Redevelopment

The three-year Fountains redevelopment project was completed in 2019-20 with the completion of the internal fit-out and installation of the lift shaft. The relocation of Parliamentary staff into the Fountains area was completed in January 2020, and the building received final sign-off in March 2020.

The project cost \$2.4 million over three years and has resulted in the restoration and repurposing of a dilapidated structure to alleviate the well-documented accommodation pressures faced by the Parliament of Western Australia.

The Fountains will continue to serve the Parliament well into the future and is no longer an eyesore over the City of Perth.

The Parliament worked closely with the Heritage Council throughout the project to ensure the concrete façade of the Fountains was maintained.

The interior design of the Fountains is modern, with contemporary desks, noise blocking and air cooling, while replicating the 'long view' of the Fountains pavilion, with the retention

of the granite columns, and the carpet design mimicking the concrete floor of the original thoroughfare.

The relocation of parliamentary staff has provided opportunities within Parliament House to provide additional accommodation to Hansard and Human Resources, while maintaining member offices and meeting rooms.

The installation of the lift means that for the first time there is disabled access to the Fountains undercroft, which was previously only accessible by two stairways at either end of the Parliament grounds.

Further works to landscape the surrounding Fountains basins have been planned and are dependent on funding.



## Member and Operational Support

### Building Services

A number of significant works projects were completed throughout the year, including the Fountains redevelopment, the replacement of the eastern roof, replacement of the boiler for the parliamentary chambers and installation of pedestrian access gates at the main and ground floor entrances. Parliamentary Services received additional capital funding for the roof replacement; however, all other projects were completed within Parliamentary Services' capital allocation, and managed around sitting periods to reduce disruption to members and the sittings of Parliament.

Building Services completed 880 work orders, a 19 per cent decrease from the previous year. These jobs ranged from furniture requests and relocation, air conditioning and cleaning, to mechanical repairs, to issues with clocks throughout the building. Throughout the year Building Services continued its focus on safety improvements, with the ongoing audit of electrical distribution boards and related rectifications, and upgrades to external stairs and steps.

Building Services also undertook a major redesign of the Parliamentary Reserve's parking and disability access plan, which was submitted for

heritage and development approval. The work to upgrade the parking on the reserve commenced in May and will result in the relocation of the visitor parking, including universal access bays, away from the front of the building, creating a safer area for visitors and protestors. Work will continue in 2020-21 with the completion of security access gates to restrict vehicle access to portions of the Reserve, allowing for the removal of the concrete bollards.

Over the next year, Building Services will undertake the design for an upgrade of the ageing bells system and work in cooperation with Reporting Services to facilitate an upgrade to the chamber audio system.

### Catering Services

Despite the significant interruption to Catering services and functions from March onwards as a result of the COVID response, Catering continued to operate throughout the year, and was able to adjust from a formal function, dining room and visiting dignitary service to a takeaway service. During the shutdown, Catering engaged their team to provide over 3,500 meals for distribution by the food rescue charity through our relationship with OzHarvest.

Catering continued its equipment replacement program with the installation of a new convection oven to replace its 12 year old combi-oven.

The new oven has resulted in improved workflow, particularly on sitting days, with increased flexibility and versatility within the kitchen.

Over 2020-21, Catering looks forward to resuming full services as COVID restrictions ease, and to once again providing function services to members and visitors to Parliament.

## Human Resources

Over the year, Human Resources assisted in the recruitment, selection and induction programs of 15 positions across the three departments, and finalised the negotiations for a replacement General Agreement between Parliament and the three unions, with the new agreement registered on 7 May 2020.

Human Resources again coordinated two hugely successful Health and Wellbeing Initiatives, with the October session featuring consultations with an exercise physiologist and sports scientist, nutrition workshops, therapeutic massages, fatigue management and resilience workshops and ergonomic seminars. The mobile Breast-Screen van also provided breast screening services. The second initiative was scheduled for March 2020, but was altered due to the COVID-19 pandemic, instead focusing on office hygiene and infection control. As a consequence of the HR and Payroll team working from home it was necessary to establish new payroll processing methods, including receiving all payroll documentation electronically. These changes realised some efficiencies and some electronic processes have been adopted on a permanent basis, such as the electronic lodgement of all timesheets and payroll documentation.

Over the coming year, Human Resources will complete the project to establish electronic personnel files for all staff; and finalise the implementation of the online recruitment portal.

## Security and Reception Services

Early in the financial year, new pedestrian access gates were installed at the redesigned main entrance and at the north and south entrances on the ground floor. These gates provide more secure access control into the building and form part of the Parliament's risk-based approach to security.

The gates have resulted in more efficient management of the authorised access of members, staff and visitors and of traffic flow into and out of the building. The redesign of the main entrance resulted in the relocation of Reception Services to a more appropriate central location in the main entrance, allowing better visibility and processing of visitors into the building.

Security and Reception Services was heavily involved in the redesign of the eastern grounds for the replacement of the unsightly concrete bollards with hostile vehicle mitigation gates. Work commenced during the year on relocating the visitor car parking to provide a safer forecourt area, and the gates will be installed early in 2020-21.

The COVID pandemic resulted in an increase in queries and calls to Reception Services, including challenging calls and visits from people in response to the restrictions. The trained security personnel and Protective Services Officers continued to handle these incidences professionally and appropriately.

Over the next year, Security will implement a replacement CCTV system for monitoring the Parliamentary Reserve and complete the forecourt upgrade in conjunction with Building Services.



## Parliamentary Information and Education

### Information Technology

IT once again completed a busy year of project work and infrastructure upgrades to support the needs of members and staff, including, the upgrade of the email platform, payroll application, Micros point of sale platform and database software, as well as the migration of Hansard recording software from FTR to Liberty platform. IT also provided support for the chamber departments to redevelop the LA member information kiosk and provide a research application for the Legislative Council.

Over the year the wireless network was upgraded to ensure ongoing security and capacity. This required the replacement of all wireless access points and management software. Additional access points were installed to provide better wireless access for all users of the heritage building.

Following the launch of the new [www.parliament.wa.gov.au](http://www.parliament.wa.gov.au) website in April 2019, the IT applications team has been engaged in functional improvements to ensure the website is accessible to all user groups. This has included a complete redesign of the templates used to populate webpages across the internet and intranet platforms and substantial redevelopment of core databases that present information, such as parliamentary bills, tabled papers and committees.

Over the next 12 months IT will continue to develop application improvements for web-based systems, support the decommissioning of the State Law Publisher with the adoption of some SLP processes, upgrade the organisation's corporate storage infrastructure and participate in a review of IT services for the Parliament of Western Australia.

## Parliamentary Library

The Parliamentary Library supports members and their staff by providing timely and accurate responses to information and research requests including media monitoring services.

The media landscape continued to change over the year with further closures of local, community and regional newspapers and an increased trend towards online news delivery.

Within this landscape, the media team is working to adapt both its services and infrastructure to continue to deliver a media monitoring service for members. The Media One Search was redesigned to provide more glanceable information to members and to improve timeliness of delivery.

Following the release of the 2021 boundaries in November 2019, Antony Green was again commissioned to provide an analysis of the new electorate boundaries.

The popular election profiles, which map census data against WA electorates, were updated with the boundaries to apply at the 2021 election, providing members with access to both the current electorates and the new boundaries.

The Library also commenced work on publishing a searchable database of the 'Index of Candidates', a publication listing all candidates for election to the Western Australian Parliament.

Over the next year, the Parliamentary Library will support the induction of new members following the state general election, and review options for TV media clipping services.

## Parliamentary Education

Parliamentary Education had an extremely satisfying start to the year, undertaking a range of activities for NAIDOC Week and Seniors Week and continuing with its outreach to Port Hedland and Geraldton and internal school tours program.

Parliamentary Education consulted with the Art Gallery to prepare a sold out series of talk and tours for NAIDOC Week, which focused on the Parliament's significant Aboriginal art collection. It also partnered with the Art Gallery and the Deaf Society to run an Auslan art tour during Hearing Awareness Week. Sadly, plans for a tactile tour for the sight-impaired were not able to be progressed.

Education also continued its partnership with the North Metro TAFE animation program, with the development of a second animation, You, Me and Democracy, that was launched in August 2019.

Unfortunately the COVID pandemic necessitated the cancellation of all tours from March 2020. In response the Education unit improved its focus on online resources for teachers and students, with updated role plays, a POWA House newsletter aimed at remote learning and the introduction of EMPOWA, aimed at 18-39 year olds. A significant amount of effort was directed towards Parliament's social media presence.

Over the next year, Parliamentary Education will continue its online and multimedia engagement amid the ongoing uncertainty surrounding the pandemic; plan for the resumption of tours in line with government advice; contribute to the planning for the centenary of Edith Cowan's election to the WA Parliament; develop an ATAR based workbook for year 11 and 12 politics and law students; and upgrade the school booking system.



## Reporting Services

Reporting Services worked through extended sittings in September through November 2019 to provide *Hansard* and broadcast records of the debate on the Voluntary Assisted Dying Bill. In total, the debate covered 1,306 pages of *Hansard*, which is now available on the Parliament's website. The late night sittings and extra sitting days meant that fatigue had to be managed carefully and processes put in place to ensure that staff were able to meet operational expectations and remain safe.

One of the major projects for Reporting Services was the upgrade of its audio recording system in the chambers and committee offices, after almost 20 years with the previous system. The audio recording system is the main tool by which the *Hansard* record is produced. Change was necessary due to the incompatibility of the previous system with Windows 10 and coincided with an upgrade of the *Hansard* PCs to Windows 10 in January. The combined IT-Reporting Services project followed a number of years of assessment, and was in place in time for the resumption of sittings in February 2020.

As part of the wider transition project for State Law Publisher printing services, *Hansard* printing requirements were reviewed and the weekly *Hansard* was discontinued in 2020. The weekly *Hansard* was first printed in 1888, and was previously provided for free to a range of institutions throughout Western Australia. However, its usage has declined significantly in recent years due to the availability of online *Hansard*. The corrected *Hansard* is still published online within two working days of the sitting. Enhancements were made to the online version to assist with following the debates, including the inclusion of clause numbers and headings in bookmarks and hyperlinks of tabled papers to the tabled papers database.

An ergonomic review of the broadcast control rooms resulted in new workstations for both rooms. The rooms have now flexible workspaces to suit the differing needs of people who work in the room on a rotational basis. The monitoring screens were also upgraded to provide high-definition monitoring of the parliamentary debates.

Over the next year, Reporting Services will finalise a business case to develop a view on demand archive for *Hansard* and broadcasting, replace the audio wiring in the Legislative Assembly chamber to achieve full audio processor functionality and retire end of life infrastructure, prepare for the opening of the 41st Parliament and undertake a further review of *Hansard* printing in light of the anticipated closure of the State Law Publisher.



## Governance and Finance

In 2019-20 the three parliamentary departments were named Best Practice 2019 Entities by the Office of the Auditor General, which was a positive reflection of the hard and dedicated work of the Finance team to assist the departments to manage financial and governance processes.

Finance commenced a long-awaited project to replace the Parliament's Financial Management Information System, with the recruitment of a project manager financial systems. Substantial progress was made on the project during the year, including the identification of business improvements. It is intended that procurement will take place in 2020-21.

FlexiPurchase corporate cards were also introduced in the Parliamentary Refreshment Rooms (PRR). The cards are designed to remove much of the manual processing of payments within PRR, in which small value food purchases account for 62 per cent of transactions.

Over the year, Finance also completed its regular stocktake of the Parliament's collection of works of art and ceremonials, comprising 680 items, and made a seamless transition into their new offices in the Fountains.

In 2020-21 Finance will commence implementation of the FMIS and undertake an artwork revaluation following on from the stocktake.



## Other Reporting

### Records Management

Parliament's records management is supported by the cross-parliamentary Information Management Committee that makes recommendations to the Heads of Department. Each department administers its own record keeping plan responsibilities as required under the State Records Act.

The Objective Electronic Document and Records Management System was upgraded in June to keep it under current support contracts. This required extensive user acceptance testing. The upgrade was originally scheduled for April but was delayed due to the onset of the COVID pandemic and the working from home arrangements. The rescheduled date meant that UAT had to be conducted around parliamentary sittings, which provided additional challenges for the project team.

Over the coming year, Parliamentary Services will implement the PSD retention and disposal schedule into Objective, once it has received approval from the State Records Commission.

PSD will also coordinate the planned rollout of the new Objective Browser functionality, and review the online training for parliamentary staff.

### Occupational Safety, Health and Injury Management

Parliament's commitment to the health and safety of employees, contractors, Members of Parliament and visitors is reinforced by its Occupational Safety and Health Management System (OSHMS). The Executive Management Group acknowledges that safety and health in the workplace is the responsibility of both the employer and the employee and supports the implementation of the OSHMS through a range of

policies and procedures that effectively identify, address and control workplace hazards and manage workplace injuries.

As part of the OSHMS, regular Occupational Safety and Health (OSH) performance reports are provided to Parliament's Heads of Department and the Joint Consultative Committee comprising both employee and management representatives. This regular consultation with employees and their representatives, in addition to close coordination with suppliers, contractors and other stakeholders, ensures the OSHMS is continually reviewed, maintained and applied effectively.

Human Resources coordinated the annual audit and review of workplace hazard inspections for Parliament House and annexe buildings, which aim to encourage employees to identify, assess and resolve or control workplace hazards and facilitate discussion with staff about health, safety and environmental issues. All OSH related policies and procedures, including those detailing Parliament's injury management system, are reviewed annually and available on the intranet.

During the year, employee health and wellbeing was supported by providing return to work programs; workplace adjustments; OSH information in induction programs; fatigue management checks; flu vaccinations; ergonomic assessments and the provision of several sit-stand workstations. Parliament continued its two-week Health and Wellbeing program in October and March, providing a range of initiatives aimed to increase health and fitness levels and raise awareness and support for valuable causes.

This included various presentations from our EAP Provider, Access Wellbeing, covering fatigue management; Enhancing your Resilience and mental health awareness. The program also included an on-site breast screening bus through

Breastscreen WA; workshops from a qualified Nutritionist; a Sit Safe Ergonomic training workshop conducted by a registered Physiotherapist and Occupational Therapist; corporate on-site Massages and physical assessments, training assistance and the preparation of individual fitness programs through Movewell Physiotherapy.

During the pandemic, Human Resources worked closely with managers and their staff to ensure Parliament was able to provide, where possible, the necessary ergonomic equipment to enable staff to safely and effectively undertake their work away from the office. This was supported by policies and a procedural checklist.

The focus on education will continue in 2020–21 by providing further OSH related training to managers and staff and additional Health and Wellbeing focus weeks with workshops and health services.

In this financial year two workers' compensation claims were submitted with one claim now finalised. There were two ongoing claims, one of which resulted in seven hours lost time for the year; zero hazards identified; and fifteen minor accidents/incidents reported.

## Unauthorised Use of Credit Cards

Officers of the Department hold corporate credit cards where their functions warrant usage of this facility. During the reporting period 1 July 2019 to 30 June 2020, there were no instances of unauthorised use of credit cards.



## Survey of Members and Staff

Each year Parliamentary Services surveys Presiding Officers, members and staff to assess its performance and determine satisfaction with services. Participants are asked to rate the performance of the Parliamentary Services Department's functional areas on a scale of 1 (very poor) to 5 (very good) and are also given the opportunity to make comments.

In 2019–20 the members' survey showed:

- 58 per cent of members rated performance as 'very good'.
- 89 per cent of members rated performance as 'good' or 'very good'.
- 98 per cent of members rated performance as 'satisfactory' to 'very good'.

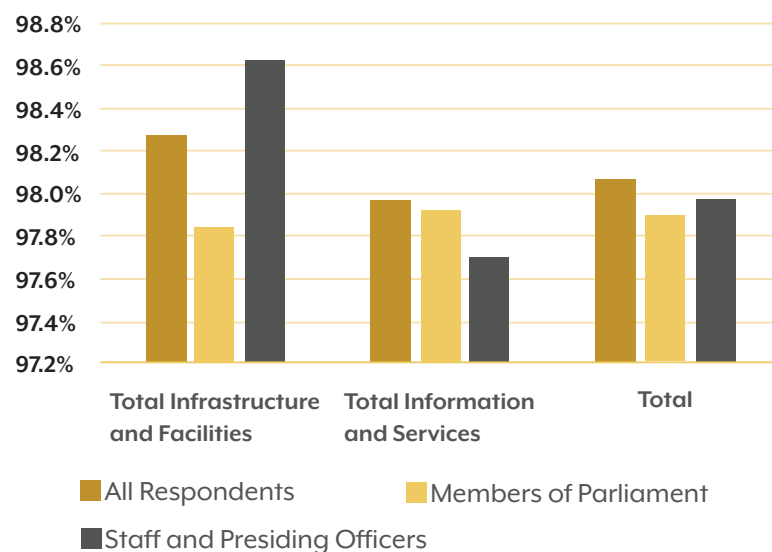
This represents a 21 per cent increase over the previous year in members who rated performance as 'very good'. A number of suggestions for further improvement were made, and these will now be pursued.

A similar survey was also completed by the Presiding Officers and staff, and included questions relating to Human Resources. A total of 132 responses were received: 53 from members, 77 from staff and 1 from each of the Presiding Officers.

The survey results show a 20 per cent decrease in member response and a 14 per cent decrease in overall response.

The table summarises the overall effectiveness rating for the Parliamentary Services Department's two key services.

Parliamentary Services Department  
Financial Year Ended 30 June 2020  
Summary of Survey Results



Percentage of responses rated  
'satisfactory', 'good' or 'very good'

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**Audited Financial Statements  
and Key Performance Indicators  
for 2019–20**

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# Auditor General

## INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

## PARLIAMENTARY SERVICES DEPARTMENT

### Report on the financial statements

#### **Opinion**

I have audited the financial statements of the Parliamentary Services Department which comprise the Statement of Financial Position as at 30 June 2020, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows, and Summary of Consolidated Account Appropriations and Income Estimates for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the operating results and cash flows of the Parliamentary Services Department for the year ended 30 June 2020 and the financial position at the end of that period. They are in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions.

#### **Basis for opinion**

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

#### **Responsibility of the Executive Manager for the financial statements**

The Executive Manager is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions, and for such internal control as the Executive Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### ***Auditor's responsibility for the audit of the financial statements***

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements. The objectives of my audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A further description of my responsibilities for the audit of the financial statements is located on the Auditing and Assurance Standards Board website at [https://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of my auditor's report.

### **Report on controls**

#### ***Opinion***

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by the Parliamentary Services Department. The controls exercised by the Department are those policies and procedures established by the Executive Manager to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions (the overall control objectives).

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

In my opinion, in all material respects, the controls exercised by the Parliamentary Services Department are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2020.

#### ***The Executive Manager's responsibilities***

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

#### ***Auditor General's responsibilities***

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



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

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

### ***Limitations of controls***

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

### **Report on the key performance indicators**

#### ***Opinion***

I have undertaken a reasonable assurance engagement on the key performance indicators of the Parliamentary Services Department for the year ended 30 June 2020. The key performance indicators are the Under Treasurer-approved key effectiveness indicators and key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators of the Parliamentary Services Department are relevant and appropriate to assist users to assess the Department's performance and fairly represent indicated performance for the year ended 30 June 2020.

#### ***The Executive Manager's responsibility for the key performance indicators***

The Executive Manager is responsible for the preparation and fair presentation of the key performance indicators in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions and for such internal control as the Executive Manager determines necessary to enable the preparation of key performance indicators that are free from material misstatement, whether due to fraud or error.

In preparing the key performance indicators, the Executive Manager is responsible for identifying key performance indicators that are relevant and appropriate, having regard to their purpose in accordance with Treasurer's Instruction 904 *Key Performance Indicators*.

#### ***Auditor General's responsibility***

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

An assurance engagement involves performing procedures to obtain evidence about the amounts and disclosures in the key performance indicators. It also involves evaluating the relevance and appropriateness of the key performance indicators against the criteria and guidance in Treasurer's Instruction 904 for measuring the extent of outcome achievement and the efficiency of service delivery. The procedures selected depend on my judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments I obtain an understanding of internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances.

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

**My independence and quality control relating to the reports on controls and key performance indicators**

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements*, the Office of the Auditor General maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

**Matters relating to the electronic publication of the audited financial statements and key performance indicators**

This auditor's report relates to the financial statements and key performance indicators of the Parliamentary Services Department for the year ended 30 June 2020 included on the Department's website. The Department's management is responsible for the integrity of the Department's website. This audit does not provide assurance on the integrity of the Department's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to contact the entity to confirm the information contained in the website version of the financial statements and key performance indicators.



CAROLINE SPENCER  
AUDITOR GENERAL  
FOR WESTERN AUSTRALIA  
Perth, Western Australia  
31 August 2020

**PARLIAMENTARY SERVICES DEPARTMENT**  
**CERTIFICATION OF FINANCIAL STATEMENTS**  
**FOR THE REPORTING PERIOD ENDED 30 JUNE 2020**

The accompanying financial statements of the Parliamentary Services Department have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2020 and the financial position as at 30 June 2020.

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



Elma Ozich  
Chief Finance Officer

Date: 24/8/20



Rob Hunter  
Accountable Authority

Date: 24/8/20





## PARLIAMENTARY SERVICES DEPARTMENT

### FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

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## PARLIAMENTARY SERVICES DEPARTMENT

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2020

	Notes	2020 \$000	2019 \$000
<b>COST OF SERVICES</b>			
<b>Expenses</b>			
Employee benefits expense	2.1(a)	11,912	11,722
Supplies and services	2.2	2,537	2,405
Depreciation and amortisation expenses	4.1.1, 4.2, 4.3	1,554	1,465
Finance costs	6.2	1	-
Accommodation expenses	2.2	2,078	1,582
Grants and subsidies	2.3	2	2
Loss on disposal of non-current assets	2.2	36	28
Other expenses	2.2	57	76
<b>Total cost of services</b>		<b>18,177</b>	<b>17,280</b>
<b>Income</b>			
<i>Revenue</i>			
Other revenue	3.2	211	1,203
<b>Total income other than income from State Government</b>		<b>211</b>	<b>1,203</b>
<b>NET COST OF SERVICES</b>			
		<b>17,966</b>	<b>16,077</b>
<b>Income from State Government</b>			
Service appropriation	3.1	17,936	17,453
Services received free of charge		9	12
<b>Total income from State Government</b>		<b>17,945</b>	<b>17,465</b>
<b>(DEFICIT) / SURPLUS FOR THE PERIOD</b>		<b>(21)</b>	<b>1,388</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>Items not reclassified subsequently to profit or loss</b>			
Changes in asset revaluation surplus		394	4,456
<b>Total other comprehensive income</b>		<b>394</b>	<b>4,456</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>373</b>	<b>5,844</b>

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





## PARLIAMENTARY SERVICES DEPARTMENT

STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2020

	Notes	2020 \$000	2019 \$000
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	6.3	1,608	1,669
Receivables	5.1	127	170
Other current assets	5.3	329	271
<b>Total Current Assets</b>		<b>2,064</b>	<b>2,110</b>
<b>Non-Current Assets</b>			
Restricted cash and cash equivalents	6.3	135	45
Amounts receivable for services	5.2	16,206	14,795
Property, plant and equipment	4.1	74,148	74,392
Right-of-use assets	4.2	26	-
Intangible assets	4.3	152	77
Other non-current assets	5.3	4	36
<b>Total Non-Current Assets</b>		<b>90,671</b>	<b>89,345</b>
<b>TOTAL ASSETS</b>		<b>92,735</b>	<b>91,455</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	5.4	531	906
Lease liabilities	6.1	15	-
Employee related provisions	2.1(b)	2,325	2,051
<b>Total Current Liabilities</b>		<b>2,871</b>	<b>2,957</b>
<b>Non-Current Liabilities</b>			
Lease liabilities	6.1	12	-
Employee related provisions	2.1(b)	220	257
<b>Total Non-Current Liabilities</b>		<b>232</b>	<b>257</b>
<b>TOTAL LIABILITIES</b>		<b>3,103</b>	<b>3,214</b>
<b>NET ASSETS</b>		<b>89,632</b>	<b>88,241</b>
<b>EQUITY</b>			
Contributed equity	8.6	27,474	26,456
Reserves	8.6	51,299	50,905
Accumulated surplus		10,859	10,880
<b>TOTAL EQUITY</b>		<b>89,632</b>	<b>88,241</b>

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





PARLIAMENTARY SERVICES DEPARTMENT

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2020

	Notes	Contributed equity \$000	Reserves \$000	Accumulated surplus \$000	Total equity \$000
<b>Balance at 1 July 2018</b>		25,456	46,449	9,492	81,397
Surplus		-	-	1,388	1,388
Other comprehensive income		-	4,456	-	4,456
Total comprehensive income for the period		-	4,456	1,388	5,844
Transactions with owners in their capacity as owners:					
Capital appropriations	8.6	1,000	-	-	1,000
Total		1,000	-	-	1,000
<b>Balance at 30 June 2019</b>		<b>26,456</b>	<b>50,905</b>	<b>10,880</b>	<b>88,241</b>
<b>Balance at 1 July 2019</b>		26,456	50,905	10,880	88,241
Initial application of AASB 16		-	-	-	-
Initial application of AASB 15 / 1058		-	-	-	-
<b>Restated balance at 1 July 2019</b>		<b>26,456</b>	<b>50,905</b>	<b>10,880</b>	<b>88,241</b>
Surplus		-	-	(21)	(21)
Other comprehensive income		-	394	-	394
Total comprehensive income for the period		-	394	(21)	373
Transactions with owners in their capacity as owners:					
Capital appropriations	8.6	1,018	-	-	1,018
Total		1,018	-	-	1,018
<b>Balance at 30 June 2020</b>		<b>27,474</b>	<b>51,299</b>	<b>10,859</b>	<b>89,632</b>

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



PARLIAMENTARY SERVICES DEPARTMENT

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2020

	Notes	2020 \$000	2019 \$000
<b>CASH FLOWS FROM STATE GOVERNMENT</b>			
Service appropriation		16,525	15,949
Capital appropriations		1,018	1,000
<b>Net cash provided by State Government</b>		<b>17,543</b>	<b>16,949</b>
Utilised as follows:			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Payments</b>			
Employee benefits		(11,576)	(11,636)
Supplies and services		(3,041)	(2,267)
Finance costs		(1)	-
Accommodation		(2,071)	(1,569)
Grants and subsidies		(2)	(2)
GST payments on purchases		(569)	(650)
Other payments		(55)	(75)
<b>Receipts</b>			
GST receipts on sales		28	134
GST receipts from taxation authority		589	508
Other receipts		212	1,203
<b>Net cash provided by/(used in) operating activities</b>		<b>(16,486)</b>	<b>(14,354)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Payments</b>			
Purchase of non-current assets		(1,012)	(2,378)
<b>Receipts</b>			
Proceeds from sale of non-current physical assets		-	5
<b>Net cash provided by/(used in) investing activities</b>		<b>(1,012)</b>	<b>(2,373)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Payments</b>			
Principal elements of lease payments		(16)	-
<b>Net cash provided by/(used in) financing activities</b>		<b>(16)</b>	<b>-</b>
Net increase/(decrease) in cash and cash equivalents		29	222
Cash and cash equivalents at the beginning of period		1,714	1,492
<b>CASH AND CASH EQUIVALENTS AT THE END OF PERIOD</b>	6.3	<b>1,743</b>	<b>1,714</b>

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





PARLIAMENTARY SERVICES DEPARTMENT

SUMMARY OF CONSOLIDATED ACCOUNT APPROPRIATIONS  
FOR THE YEAR ENDED 30 JUNE 2020

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	2020 Budget Estimate \$000	2020 Supplementary Funding \$000	Revised Budget \$000	2020 Actual \$000	2020 Variance \$000
<u>Delivery of Services</u>					
Item 3 Net amount appropriated to deliver services	17,955	-	17,955	17,936	(19)
<b>Total appropriations provided to deliver services</b>	<b>17,955</b>	<b>-</b>	<b>17,955</b>	<b>17,936</b>	<b>(19)</b>
<u>Capital</u>					
Item 91 Capital Appropriation	1,119	-	1,119	1,018	(101)
<b>GRAND TOTAL</b>	<b>19,074</b>	<b>-</b>	<b>19,074</b>	<b>18,954</b>	<b>(120)</b>

No supplementary income was received by the Department.



## PARLIAMENTARY SERVICES DEPARTMENT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

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#### 1. Basis of preparation

The Department is not part of the State public service or a government agency. The Department is a not-for-profit entity (as profit is not its principal objective).

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

These annual financial statements were authorised for issue by the Accountable Authority of the Department on 24 August 2020.

#### Statement of compliance

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

- The *Financial Management Act 2006* (**FMA**)
- The Treasurer's Instructions (**TIs**)
- Australian Accounting Standards (**AASs**) - Reduced Disclosure Requirements
- Where appropriate, those **AAS** paragraphs applicable for not-for-profit entities have been applied.

The *Financial Management Act 2006* and the Treasurer's Instructions take precedence over AASs. Several AASs are modified by the TIs to vary application, disclosure format and wording. Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

#### Basis of preparation

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

#### Judgements and estimates

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

#### Contributed equity

AASB Interpretation 1038 *Contributions by Owners Made to Wholly Owned Public Sector Entities* requires transfers in the nature of equity contributions, other than as a result of restructure of administrative arrangements, to be designated by the Government (the owner) as contributions by owners (at the time of, or prior to, transfer) before such transfers can be recognised as equity contributions. Capital appropriations have been designated as contributions by owners by TI 955 *Contributions by Owners made to Wholly Owned Public Sector Entities* and have been credited directly to Contributed Equity.



PARLIAMENTARY SERVICES DEPARTMENT

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

2. Use of our funding

**Expenses incurred in the delivery of services**

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

	Notes	2020 \$000	2019 \$000
Employee benefits expenses	2.1(a)	11,912	11,722
Employee related provisions	2.1(b)	2,545	2,308
Grants and subsidies	2.3	2	2
Other expenditure	2.2	4,672	4,063
Loss on disposal of non-current assets	2.2	36	28

**2.1(a) Employee benefits expenses**

	2020 \$000	2019 \$000
Employee benefits	10,921	10,735
Superannuation - defined contribution plans	991	987
<b>Total employee benefits expense</b>	<b>11,912</b>	<b>11,722</b>
Add: AASB 16 Non-monetary benefits	16	-
Less: Employee Contributions	(1)	-
<b>Net employee benefits</b>	<b>11,927</b>	<b>11,722</b>

- (a) Defined contribution plans include West State Superannuation Scheme (WSS), Gold State Superannuation Scheme (GSS), Government Employees Superannuation Board Schemes (GESBs) and other eligible funds.
- (b) Additional non-monetary benefits include the provision of vehicle benefits measured at cost in accordance with the application of AASB 16.

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

**Superannuation:** The amount recognised in profit or loss of the Statement of Comprehensive Income comprises employer contributions paid to the GSS (concurrent contributions), the WSS, the GESBs, or other superannuation funds.

**AASB 16 Non-monetary benefits:** Non-monetary employee benefits, that are employee benefit expenses, predominately relate to the provision of vehicle benefits are measured at the cost incurred by the Department.



PARLIAMENTARY SERVICES DEPARTMENT

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

2. Use of our funding (cont.)

2.1(b) Employee related provisions

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

<b>Current</b>	<b>2020</b>	<b>2019</b>
	<b>\$000</b>	<b>\$000</b>
<u>Employee benefits provisions</u>		
Annual leave <sup>(a)</sup>	914	815
Long service leave <sup>(b)</sup>	1,380	1,220
Deferred salary scheme <sup>(c)</sup>	18	5
	<b>2,312</b>	<b>2,040</b>
<u>Other provisions</u>		
Employment on-costs <sup>(d)</sup>	13	11
<b>Total current employee related provisions</b>	<b>2,325</b>	<b>2,051</b>
<b>Non-current</b>		
<u>Employee benefits provisions</u>		
Long service leave <sup>(b)</sup>	219	256
<u>Other provisions</u>		
Employment on-costs <sup>(d)</sup>	1	1
<b>Total non-current employee related provisions</b>	<b>220</b>	<b>257</b>
<b>Total employee related provisions</b>	<b>2,545</b>	<b>2,308</b>

(a) **Annual leave liabilities:** Classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

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

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

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



PARLIAMENTARY SERVICES DEPARTMENT

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

2. Use of our funding (cont.)

2.1(b) Employee related provisions (cont.)

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

- (c) **Deferred salary scheme liabilities:** Classified as current where there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.
- (d) **Employment on-costs:** The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers' compensation insurance. The provision is the present value of expected future payments.

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Other expenses, Note 2.2' and are not included as part of the Department's 'employee benefits expenses'. The related liability is included in 'Employment on-costs provision'.

	2020	2019
	\$000	\$000
<b><u>Employment on-costs provision</u></b>		
Carrying amount at start of period	12	11
Additional/(reversals of) provisions recognised	2	1
<b>Carrying amount at end of period</b>	<b>14</b>	<b>12</b>

**Key sources of estimation uncertainty - long service leave**

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

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

- Expected future salary rates
- Discount rates
- Employee retention rates; and
- Expected future payments

Changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision. Any gain or loss following revaluation of the present value of long service leave liabilities is recognised as employee benefits expense.



PARLIAMENTARY SERVICES DEPARTMENT

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

2. Use of our funding (cont.)

2.2 Other expenditure	2020 \$000	2019 \$000
<b>Supplies and services</b>		
Communications	91	91
Consultants and contractors	304	295
Consumables	199	181
Contract staff	78	42
Hansard printing	69	85
Insurances	74	78
IT equipment rental <sup>(a)</sup>	117	108
IT maintenance contracts - computing	406	377
IT maintenance contracts - equipment	110	108
Media	74	56
Minor equipment	143	148
Parts and repairs	51	17
Security services	398	391
Staff training	34	27
Stationery and printing	31	38
Subscriptions	177	158
Travel	43	54
Other	138	151
<b>Total supplies and services</b>	<b>2,537</b>	<b>2,405</b>
<b>Accommodation</b>		
Accommodation expenses	115	194
Accommodation - variable expenses	80	-
Repairs and maintenance	1,203	766
Cleaning	344	304
Utility charges - gas	8	8
Utility charges - electricity and water	328	310
<b>Total accommodation expenses</b>	<b>2,078</b>	<b>1,582</b>
<b>Other</b>		
Employment on-costs	11	31
Audit fee	46	45
<b>Total other expenses</b>	<b>57</b>	<b>76</b>
<b>Total other expenditure</b>	<b>4,672</b>	<b>4,063</b>

(a) Included within rental costs are low value leases of up to \$5,000.



PARLIAMENTARY SERVICES DEPARTMENT

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

2. Use of our funding (cont.)

2.2 Other expenditure (cont.)

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

**Repairs and maintenance costs** are recognised as expenses as incurred, except where they relate to the replacement of a significant component of an asset. In that case, the costs are capitalised and depreciated.

**Employee on-cost** includes workers' compensation insurance and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liabilities is included at note 2.1(b) Employee related provisions. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

<b>Loss on disposal of non-current assets</b>	<b>2020</b>	<b>2019</b>
	<b>\$000</b>	<b>\$000</b>
<u>Net proceeds from disposal of non-current assets</u>		
Plant and equipment	-	5
Works of art	-	-
<u>Carrying amount of non-current assets disposed</u>		
Plant and equipment	(34)	(30)
Works of art	(2)	(3)
<b>Net gain/(loss)</b>	<b>(36)</b>	<b>(28)</b>

**Realised and unrealised gains** are usually recognised on a net basis. These include gains (and losses) arising on the disposal of non-current assets.

Gains and losses on the disposal of non-current assets are presented by deducting from the proceeds on disposal the carrying amount of the asset and related selling expenses. Gains and losses are recognised in profit or loss in the Statement of Comprehensive Income (from proceeds of sale).

<b>2.3 Grants and subsidies</b>	<b>2020</b>	<b>2019</b>
	<b>\$000</b>	<b>\$000</b>
<u>Recurrent</u>		
Subsidy - Country Schools Travel	2	2
	<b>2</b>	<b>2</b>

Subsidies are recognised as an expense in the reporting period in which they are paid or payable. They include payments made to regional schools, located more than 150 kilometres outside of the metropolitan area, to travel to Perth to take part in the Parliamentary Education civics and citizenship program.



PARLIAMENTARY SERVICES DEPARTMENT

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

3. Our funding sources

How we obtain our funding

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

	Notes	2020 \$000	2019 \$000
Income from State Government	3.1	17,945	17,465
Other revenue	3.2	211	1,203

3.1 Income from State Government	2020 \$000	2019 \$000
Appropriation received during the period:		
Service appropriation	17,936	17,453
	<u>17,936</u>	<u>17,453</u>
Services received free of charge from other State Government agencies during the period:		
Department of Finance (Government Office and Accommodation)	9	12
<b>Total services received</b>	<u>9</u>	<u>12</u>
<b>Total income from State Government</b>	<u>17,945</u>	<u>17,465</u>

**Service Appropriations** are recognised as income at the fair value of consideration received in the period in which the Department gains control of the appropriated funds. The Department gains control of appropriated funds at the time those funds are deposited in the bank account or credited to the 'Accounts receivable for services' (holding account) held at Treasury.

Service appropriations fund the net cost of services delivered. Appropriation revenue comprises the following:

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

The application of AASB 15 and AASB 1058 from 1 July 2019 has had no impact on the treatment of income from State Government.

3.2 Other revenue

	2020 \$000	2019 \$000
Contributions from the Legislative Assembly and Legislative Council towards works beyond the scope of existing service provisions	201	1,200
Other revenue	10	3
<b>Total other income</b>	<u>211</u>	<u>1,203</u>





## PARLIAMENTARY SERVICES DEPARTMENT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

#### 4. Key assets

##### Assets the Department utilises for economic benefit or service potential

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

	<b>Notes</b>	<b>2020</b>	<b>2019</b>
		<b>\$000</b>	<b>\$000</b>
Property, plant and equipment	4.1	74,148	74,392
Right-of-use assets	4.2	26	-
Intangibles	4.3	152	77
<b>Total key assets</b>		<b>74,326</b>	<b>74,469</b>



**PARLIAMENTARY SERVICES DEPARTMENT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2020**

**4. Key assets (cont.)**

**4.1 Property, plant and equipment**

**Year ended 30 June 2020**

	Land \$000	Buildings \$000	Improvements \$000	Leasehold Equipment \$000	Plant & Equipment \$000	Computer Hardware \$000	Works of Art \$000	Works in Progress \$000	Total \$000
<b>1 July 2019</b>									
Gross carrying amount	3,017	64,010	3,236	7,394	1,066	942	2,494	82,159	
Accumulated depreciation	-	-	(3,203)	(3,616)	(948)	-	-	(7,767)	
<b>Carrying amount at start of period</b>	<b>3,017</b>	<b>64,010</b>	<b>33</b>	<b>3,778</b>	<b>118</b>	<b>942</b>	<b>2,494</b>	<b>74,392</b>	
Additions	-	-	-	-	-	-	1,867	1,867	
Transfers	-	1,550	32	1,345	16	1	(3,962)	(1,018) (a)	
Other disposals	-	-	-	(34)	-	(2)	-	(36)	
Revaluation increments / (decrements)	-	394	-	-	-	-	-	394	
Depreciation	-	(649)	(19)	(705)	(78)	-	-	(1,451)	
<b>Carrying amount at 30 June 2020</b>	<b>3,017</b>	<b>65,305</b>	<b>46</b>	<b>4,384</b>	<b>56</b>	<b>941</b>	<b>399</b>	<b>74,148</b>	

Gross carrying amount 3,017 65,305 3,268 8,561 980 82,471  
 Accumulated depreciation - - (3,222) (4,177) (924) (8,323)

(a) Represents transfer from Works in Progress to Intangible Assets \$163,000 (2019: \$38,000), Expenses \$855,000 (2019: \$604,000), and Prepayments Nil (2019: \$1,000).

Capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements, and payable within 1 year are \$379,000 (2019: \$668,000). These totals are GST inclusive.



## PARLIAMENTARY SERVICES DEPARTMENT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

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#### 4. Key assets (cont.)

##### 4.1 Property, plant and equipment (cont.)

###### Initial recognition

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

All works of art are capitalised as it is anticipated that their value will appreciate over time.

The cost of a leasehold improvement is capitalised and depreciated over the shorter of the remaining term of the lease or the estimated life of the leasehold improvement.

###### Subsequent measurement

Subsequent to initial recognition of an asset, the revaluation model is used for the measurement of:

- land,
- buildings, and
- artworks.

Land is carried at fair value.

Buildings are carried at fair value less accumulated depreciation and accumulated impairment losses.

Works of art are carried at fair value less accumulated impairment losses.

All other property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

**Land and buildings** are independently valued annually by the Western Australian Land Information Authority (Valuations and Property Analytics) and recognised annually to ensure that the carrying amount does not differ materially from the asset's fair value at the end of the reporting period.

Land and buildings were revalued as at 1 July 2019 by the Western Australian Land Information Authority (Valuations and Property Analytics). The valuations were performed during the year ended 30 June 2020 and recognised at 30 June 2020. In undertaking the revaluation, fair value was determined by reference to market values for land: \$2,800,000 (2019: \$2,800,000) and buildings: \$240,000 (2019: \$240,000). For the remaining balance, fair value of buildings was determined on the basis of depreciated replacement cost and fair value of land was determined on the basis of comparison with market evidence for land with low level utility (high restricted use land).

As at 24 August 2020, there was insufficient market evidence to quantify the impact of COVID-19 pandemic. It can only be concluded that there was significant uncertainty of fair value accuracy of land and buildings at the reporting date.



## PARLIAMENTARY SERVICES DEPARTMENT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

#### 4. Key assets (cont.)

##### 4.1 Property, plant and equipment (cont.)

###### Revaluation model:

- (a) Fair Value where market-based evidence is available:

The fair value of land and buildings is determined on the basis of current market values determined by reference to recent market transactions. When buildings are revalued by reference to recent market transactions, the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount.

- (b) Fair value in the absence of market-based evidence:

**Buildings are specialised or where land is restricted:** Fair value of land and buildings is determined on the basis of existing use.

**Existing use buildings:** Fair value is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the depreciated replacement cost. Where the fair value of buildings is determined on the depreciated replacement cost basis, the gross carrying amount and the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net carrying amount is re-stated to the revalued amount (net method).

**Restricted use land:** Fair value is determined by comparison with market evidence for land with similar approximate utility (high restricted use land) or market value of comparable unrestricted land (low restricted use land).

###### Significant assumptions and judgements

The most significant assumptions and judgements in estimating fair value are made in assessing whether to apply the existing use basis to assets and in determining estimated economic life. Professional judgement by the valuer is required where the evidence does not provide a clear distinction between market type assets and existing use assets.

##### 4.1.1 Depreciation and impairment

Charge for the period	Notes	2020 \$000	2019 \$000
<u>Depreciation</u>			
Buildings	4.1	649	603
Leasehold improvements	4.1	19	7
Plant and equipment	4.1	705	653
Computer hardware	4.1	78	148
<b>Total depreciation for the period</b>		<b>1,451</b>	<b>1,411</b>

As at 30 June 2020 there were no indications of impairment to property, plant and equipment.

All surplus assets at 30 June 2020 have either been classified as assets held for sale or have been written-off.



## PARLIAMENTARY SERVICES DEPARTMENT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

#### 4. Key assets (cont.)

##### 4.1 Property, plant and equipment (cont.)

###### Finite useful lives

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

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

<b>Asset</b>	<b>Useful Life: years</b>
Heritage buildings	100 years
Contemporary buildings	40 years
Leasehold improvements	Lower of asset life or lease term
Plant and equipment	5 to 25 years
Computer hardware	3 years
Computer software <sup>(a)</sup>	3 years

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

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

Leasehold improvements are depreciated over the shorter of the lease term and their useful lives.

Land and works of art, which are considered to have an indefinite life, are not depreciated. Depreciation is not recognised in respect of these assets because their service potential has not, in any material sense, been consumed during the reporting period.

###### Impairment

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

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

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

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



## PARLIAMENTARY SERVICES DEPARTMENT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

#### 4. Key assets (cont.)

##### 4.1 Property, plant and equipment (cont.)

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

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life. Each relevant class of assets is reviewed annually to verify that the accumulated depreciation reflects the level of consumption or expiration of the asset's future economic benefits and to evaluate any impairment risk from declining replacement costs.

##### 4.2 Right-of-use assets

	2020	2019
	\$000	\$000
Vehicles	26	-
<b>Net carrying amount at 30 June 2020</b>	<b>26</b>	<b>-</b>

Additions to right-of-use assets during the financial year were \$19,000.

##### Initial recognition

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

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received, and
- any initial direct costs.

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

##### Subsequent measurement

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

##### Depreciation and impairment of right-of-use assets

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets.

Right-of-use assets are tested for impairment when an indication of impairment is identified. The policy in connection with testing of impairment is outlined in note 4.1.1.



PARLIAMENTARY SERVICES DEPARTMENT

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

4. Key assets (cont.)

4.2 Right-of-use assets (cont.)

The following amounts relating to leases have been recognised in the Statement of Comprehensive Income:

	2020	2019
	\$000	\$000
Vehicles	15	-
<b>Total right-of-use asset depreciation</b>	<b>15</b>	<b>-</b>
Lease interest expense	1	-
Expenses relating to variable lease payments not included in lease liabilities	8	-
Short-term leases	-	-
Low-value leases	117	-

The total cash outflow for leases in 2020 was \$16,000.

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

The Department has leases for vehicles.

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

Up to 30 June 2020, the Department classified leases as either finance leases or operating leases. From 1 July 2019, at 1 July 2019, the Department recognises leases as right-of-use assets and associated lease liabilities in the Statement of Financial Position.

The corresponding lease liabilities in relation to these right-of-use assets have been disclosed in note 6.1.

4.3 Intangible assets

	Computer Software \$000
<b>Year ended 30 June 2020</b>	
<b>1 July 2019</b>	
Gross carrying amount	530
Accumulated amortisation	(453)
<b>Carrying amount at start of period</b>	<b>77</b>
Additions	163
Amortisation expense	(88)
<b>Carrying amount at 30 June 2020</b>	<b>152</b>



PARLIAMENTARY SERVICES DEPARTMENT

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

4. Key assets (cont.)

4.3 Intangible assets (cont.)

**Initial recognition**

Intangible assets are initially recognised at cost. For assets acquired at significantly less than fair value, the cost is their fair value at the date of acquisition.

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

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

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

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

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

**Subsequent measurement**

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

4.3.1 Amortisation and impairment

Charge for the period	2020 \$000	2019 \$000
<u>Amortisation</u>		
Computer software	88	54
<b>Total amortisation for the period</b>	<b>88</b>	<b>54</b>





## PARLIAMENTARY SERVICES DEPARTMENT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

#### 4. Key assets (cont.)

##### 4.3 Intangible assets (cont.)

##### 4.3.1 Amortisation and impairment (cont.)

As at 30 June 2020 there were no indicators of impairment to intangible assets.

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

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

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

<b>Asset</b>	<b>Useful Life</b>
Development costs	3 to 5 years
Website costs	3 to 5 years
Computer software <sup>(a)</sup>	3 to 5 years

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

##### **Impairment of intangible assets**

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

The policy in connection with testing for impairment is outlined in note 4.1.1.

##### **Development costs**

Research costs are expensed as incurred. Development costs incurred for an individual project are carried forward when the future economic benefits can be reasonably regarded as assured and the total project costs are likely to exceed \$50,000. Other development costs are expensed as incurred.

##### **Website costs**

Website costs are expensed when incurred unless they directly relate to the acquisition or development of an intangible asset. In this instance they may be capitalised and amortised. Generally, costs in relation to feasibility studies during the operating phase are expensed. Costs incurred in building or enhancing a website that can be reliably measured, are capitalised to the extent that they represent probable future economic benefits.

##### **Computer software**

Software that is an integral part of the related hardware is recognised as part of the tangible asset. Software that is not an integral part of the related hardware is recognised as an intangible asset. Software costing less than \$5,000 is expensed in the year of acquisition.



PARLIAMENTARY SERVICES DEPARTMENT

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

**5. Other assets and liabilities**

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

	Notes	2020 \$000	2019 \$000
Receivables	5.1	127	170
Amounts receivable for services	5.2	16,206	14,795
Other assets	5.3	333	307
Payables	5.4	531	906

<b>5.1 Receivables</b>	<b>2020 \$000</b>	<b>2019 \$000</b>
<u>Current</u>		
Receivables	12	7
GST receivable	115	163
<b>Total receivables</b>	<b>127</b>	<b>170</b>

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

<b>5.2 Amounts receivable for services (Holding Account)</b>	<b>2020 \$000</b>	<b>2019 \$000</b>
<b>Total non-current</b>	<b>16,206</b>	<b>14,795</b>

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

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



PARLIAMENTARY SERVICES DEPARTMENT

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

5. Other assets and liabilities (cont.)

5.3 Other assets

	2020	2019
<u>Current</u>	<u>\$000</u>	<u>\$000</u>
Prepayments	329	271
<b>Total current</b>	<b>329</b>	<b>271</b>
<u>Non-current</u>		
Prepayments	4	36
<b>Total non-current</b>	<b>4</b>	<b>36</b>
<b>Balance at end of period</b>	<b>333</b>	<b>307</b>

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

5.4 Payables

	2020	2019
<u>Current</u>	<u>\$000</u>	<u>\$000</u>
Trade payables	85	521
Accrued expenses	234	274
Accrued salaries	212	111
<b>Total current</b>	<b>531</b>	<b>906</b>

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

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

The accrued salaries suspense account (See Note 6.3 'Cash and cash equivalents') consists of amounts paid annually, from Departmental appropriations for salaries expense, into a Treasury suspense account to meet the additional cash outflow for employee salary payments in reporting periods with 27 pay days instead of the normal 26. No interest is received on this account.



PARLIAMENTARY SERVICES DEPARTMENT

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

6. Financing

This section sets out the material balances and disclosures associated with the financing and cash flows of the Department.

	Notes
Lease liabilities	6.1
Finance costs	6.2
Cash and cash equivalents	6.3

6.1 Lease liabilities

	2020	2019
	\$000	\$000
Current	15	-
Non-current	12	-
	<u>27</u>	<u>-</u>

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

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

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payments that are dependant on an index or a rate initially measured using the index or rate as at the commencement date
- Amounts expected to be payable by the lessee under residual value guarantees
- Payments for penalties for terminating a lease, where the lease term reflects the agency exercising an option to terminate the lease.

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

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

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

This section should be read in conjunction with note 4.2.



PARLIAMENTARY SERVICES DEPARTMENT

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

6. Financing (cont.)

6.1 Lease liabilities (cont.)

**Subsequent measurement**

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

6.2 Finance costs

**Finance costs**

	<b>2020</b>	<b>2019</b>
	<b>\$000</b>	<b>\$000</b>
Lease interest expense	1	-
<b>Finance costs expensed</b>	<b>1</b>	<b>-</b>

'Finance cost' includes the interest component of lease liability repayments.

6.3 Cash and cash equivalents

	<b>2020</b>	<b>2019</b>
	<b>\$000</b>	<b>\$000</b>
Cash and cash equivalents	1,608	1,669
Restricted cash and cash equivalents		
• Accrued salaries suspense account <sup>(a)</sup>	135	45
	<b>1,743</b>	<b>1,714</b>

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

For the purpose of the Statement of Cash Flows, cash and cash equivalent (and restricted cash and cash equivalent) assets comprise cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.



## PARLIAMENTARY SERVICES DEPARTMENT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

#### 7. Financial instruments and Contingencies

	<b>Note</b>
Financial instruments	7.1
Contingent assets and liabilities	7.2

##### 7.1 Financial instruments

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

	<b>2020</b>	<b>2019</b>
	<b>\$000</b>	<b>\$000</b>
<u>Financial assets</u>		
Cash and cash equivalents	1,743	1,714
Financial assets at amortised cost <sup>(a)</sup>	16,218	14,802
<b>Total financial assets</b>	<b>17,961</b>	<b>16,516</b>
<u>Financial liabilities</u>		
Financial liabilities measured at amortised cost	498	846
<b>Total financial liability</b>	<b>498</b>	<b>846</b>

(a) The amount of Financial assets at amortised cost excludes GST recoverable from the ATO (statutory receivable).

##### 7.2 Contingent assets and liabilities

The Department did not have any contingent assets or contingent liabilities at the end of the period.



## PARLIAMENTARY SERVICES DEPARTMENT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

#### 8. Other disclosures

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

	<b>Notes</b>
Events occurring after the end of the reporting period	8.1
Initial application of Australian Accounting Standards	8.2
Key management personnel	8.3
Related party transactions	8.4
Remuneration of auditors	8.5
Equity	8.6
Supplementary financial information	8.7
Explanatory statement	8.8

##### 8.1 Events occurring after the end of the reporting period

There were no events occurring after reporting date which would materially impact on the financial statements.

##### 8.2 Initial application of Australian Accounting Standards

###### (a) AASB 15 Revenue from Contract with Customers and AASN 1058 Income of Not-for-Profit Entities

AASB 15 *Revenue from Contracts with Customers* replaces AASB 118 *Revenue* and AASB 111 *Construction Contracts* for annual reporting periods on or after 1 January 2019. Under the new model, an entity shall recognise revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service to a customer and is based upon the transfer of control rather than transfer of risks and rewards.

AASB 15 focuses on providing sufficient information to the users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from the contracts with customers. Revenue is recognised by applying the following five steps:

- Identifying contracts with customers
- Identifying separate performance obligations
- Determining the transaction price of the contract
- Allocating the transaction price to each of the performance obligations
- Recognising revenue when or as each performance obligation is satisfied.

Revenue is recognised either over time or at a point in time. Any distinct goods or services are separately identified and any discounts or rebates in the contract price are allocated to the separate elements.

In addition, income other than from contracts with customers are subject to AASB 1058 *Income of Not-for-Profit Entities*. Income recognition under AASB 1058 depends on whether such a transaction gives rise to liabilities or a contribution by owner related to an asset (such as cash or another asset) recognised by the Department.



## PARLIAMENTARY SERVICES DEPARTMENT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

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#### 8. Other disclosures (cont.)

##### 8.2 Initial application of Australian Accounting Standards

###### (a) AASB 15 Revenue from Contract with Customers and AASN 1058 Income of Not-for-Profit Entities (cont.)

The Department adopts the modified retrospective approach on transition to AASB 15 and AASB 1058. No comparative information is restated under this approach, and the agency recognised the cumulative effect of initially applying the Standards as an adjustment to the opening balance of accumulated surplus/(deficit) at the date of initial application (1 July 2019).

Under this transition method, the Department elects to not apply the standards retrospectively to non-completed contracts at the date of initial application.

Refer to Note 3.1 and 3.2 for the revenue and income accounting policies adopted from 1 July 2019.

###### (b) AASB 16 Leases

AASB 16 *Leases* supercedes AASB 117 *Leases* and related Interpretations. AASB 16 primarily affects lessee accounting and provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessees and lessors.

The Department applies AASB 16 *Leases* from 1 July 2019 using the modified retrospective approach. As permitted under the specific transition provisions, comparatives are not restated. The cumulative effect of initially applying this Standard is recognised as an adjustment to the opening balance of accumulated surplus/(deficit).

The main changes introduced by this Standard include identification of lease within a contract and a new lease accounting model for lessees that require lessees to recognise all leases (operating and finance leases) on the Statement of Financial Position as a right-of-use assets and lease liabilities, except for short term leases (lease terms of 12 months or less at commencement date) and low-value assets (valued less than \$5,000). The operating lease and finance lease distinction for lessees no longer exists.

Under AASB 16, the Department takes into consideration all operating leases that were off balance sheet under AASB 117 and recognises:

- (a) right of use assets and lease liabilities in the Statement of Financial Position, initially measured at the present value of future lease payments, discounted using the incremental borrowing rate (2%) on 1 July 2019
- (b) depreciation of right-of-use assets and interest on lease liabilities in the Statement of Comprehensive Income, and
- (c) the total amount of cash paid as principal amount, which is presented in the cash flows from financing activities, and interest paid, which is presented in the cash flows from operating activities, in the Statement of Cash Flows.





PARLIAMENTARY SERVICES DEPARTMENT

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

8. Other disclosures (cont.)

8.2 Initial application of Australian Accounting Standards (cont.)

(b) AASB 16 Leases (cont.)

The right-of-use assets are assessed for impairment at the date of transition and the Department has not identified any impairments to its right-of-use assets.

On transition, the Department has elected to apply the following practical expedients in the assessment of their leases that were previously classified as operating leases under AASB 117:

- (a) A single discount rate may be applied to a portfolio of leases with reasonably similar characteristics
- (b) The Department relies on its assessment of whether leases were onerous in applying AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* immediately before the date of initial application as an alternative to performing an impairment review. The Department has adjusted the ROU asset at 1 July 2019 by the amount of any provision for onerous leases recognised in the Statement of Financial Position at 30 June 2019
- (c) Where the lease term at initial application ended within 12 months, the Department has accounted for these as short-term leases
- (d) Initial direct costs have been excluded from the measurement of right-of-use asset
- (e) Hindsight has been used to determine if the contracts contained options to extend or terminate the lease.

The Department has not reassessed whether existing contracts are, or contained a lease at 1 July 2019. The requirements of paragraphs 9-11 of AASB 16 are applied to contracts that came into existence post 1 July 2019.

**Measurement of lease liabilities**

Operating Lease Commitments disclosed at 30 June 2019	293
Discounted using incremental borrowing rate at date of initial application <sup>(a)</sup>	<u>219</u>
Add: Finance lease liabilities recognised as at 30 June 2019	-
Less: Short-term leases not recognised as liability	-
Low value leases not recognised as liability	(197)
<b>Lease liability recognised at 1 July 2019</b>	<b><u>22</u></b>
Current lease liabilities	11
Non-current lease liabilities	11

- (a) Operating lease commitments comprised of accommodation (\$72,000), equipment (\$197,000), and motor vehicle (\$24,000) leases as at 30 June 2019.
- (b) Discounted value at date of initial application excludes the accommodation lease, which is not recognised as a right-of-use lease under AASB 16.

The WATC incremental borrowing rate was used for the purposes of calculating the lease transition opening balance.



## PARLIAMENTARY SERVICES DEPARTMENT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

#### 8. Other disclosures (cont.)

##### 8.3 Key management personnel

The Department has determined key management personnel include the Presiding Officers and senior officers of the Department. However, the Department does not incur expenditures to compensate the Presiding Officers and those disclosures may be found in the Annual Reports of the Department of the Legislative Council and Department of the Legislative Assembly.

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

Compensation band (\$)	2020	2019
280,001 - 290,000	1	1
210,001 - 220,000	1	1
170,001 - 180,000	1	-
160,001 - 170,000	-	1
130,001 - 140,000	1	1
	<b>2020</b>	<b>2019</b>
	<b>\$000</b>	<b>\$000</b>
<b>Total compensation of senior officers</b>	<b>805</b>	<b>798</b>

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

##### 8.4 Related party transactions

Related parties of the Department include:

- Presiding Officers and their close family members, and their controlled or jointly controlled entities
- all senior officers and their close family members, and their controlled or jointly controlled entities
- other agencies and statutory authorities, including related bodies, that are included in the whole of government consolidated financial statement (ie wholly-owned public sector entities),
- associates and joint ventures of a wholly-owned public sector entity, and
- the Government Employees Superannuation Board (GESB).

##### Material transactions with related parties

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



PARLIAMENTARY SERVICES DEPARTMENT

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

8. Other disclosures (cont.)

8.5 Remuneration of auditors

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

	2020	2019
	\$000	\$000
Auditing the accounts, financial statements, controls, and key performance indicators	46	46

8.6 Equity

**Contributed equity**

	2020	2019
	\$000	\$000
Balance at start of period	26,456	25,456
Contributions by owners		
Capital appropriation	1,018	1,000
<b>Total contributions by owners</b>	<b>27,474</b>	<b>26,456</b>
<b>Balance at end of period</b>	<b>27,474</b>	<b>26,456</b>

**Asset revaluation surplus**

Balance at start of the period	50,905	46,449
Net revaluation increments/(decrements)		
Land	-	(330)
Buildings	394	4,786
<b>Balance at end of period</b>	<b>51,299</b>	<b>50,905</b>

8.7 Supplementary financial information

(a) Write-offs

During the financial year, \$2,534 (2019: nil) was written off the Department's asset registers under the authority of the accountable authority.

(b) Losses through thefts, defaults and other causes

There were no items lost by the Department through thefts, defaults or other causes.

(c) Gifts of public property

The Department provided obsolete items of furniture and equipment (nil value) to Westcare Incorporated.



PARLIAMENTARY SERVICES DEPARTMENT

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

8.8 Explanatory statement

All variances between annual estimates (original budget) and actual results for 2020, and between the actual results for 2020 and 2019 are shown below. Narratives are provided for key major variances, which are greater than 10% and \$1 million for the Statements of Comprehensive Income, Cash Flows, and the Statement of Financial Position.

8.8.1 Statement of Comprehensive Income Variances

	Variance note	Estimate 2020 \$000	Actual 2020 \$000	Variance \$000	Actual 2020 \$000	Actual 2019 \$000	Variance \$000
<b>Expenses</b>							
Employee benefits expense		11,689	11,912	223	11,912	11,722	190
Supplies and services		2,745	2,537	(208)	2,537	2,405	132
Depreciation and amortisation expense		1,533	1,554	21	1,554	1,465	89
Finance costs		17	1	(16)	1	-	1
Accommodation expenses		1,756	2,078	322	2,078	1,582	496
Grants and subsidies		5	2	(3)	2	2	-
Loss on disposal of non-current assets		-	36	36	36	28	8
Other expenses		223	57	(166)	57	76	(19)
<b>Total cost of services</b>		<b>17,968</b>	<b>18,177</b>	<b>209</b>	<b>18,177</b>	<b>17,280</b>	<b>897</b>
<b>Income</b>							
<i>Revenue</i>							
Other revenue		-	211	211	211	1,203	(992)
<b>Total income other than income from State Government</b>		<b>-</b>	<b>211</b>	<b>211</b>	<b>211</b>	<b>1,203</b>	<b>(992)</b>
<b>NET COST OF SERVICES</b>		<b>17,968</b>	<b>17,966</b>	<b>(2)</b>	<b>17,966</b>	<b>16,077</b>	<b>1,889</b>
<b>Income from State Government</b>							
Service appropriation		17,955	17,936	(19)	17,936	17,453	483
Services received free of charge		13	9	(4)	9	12	(3)
<b>Total income from State Government</b>		<b>17,968</b>	<b>17,945</b>	<b>(23)</b>	<b>17,945</b>	<b>17,465</b>	<b>480</b>
<b>(DEFICIT) / SURPLUS FOR THE PERIOD</b>		<b>-</b>	<b>(21)</b>	<b>(21)</b>	<b>(21)</b>	<b>1,388</b>	<b>(1,409)</b>
<b>OTHER COMPREHENSIVE INCOME</b>							
<b>Items not reclassified subsequently to profit or loss</b>							
Changes in asset revaluation surplus		-	394	394	394	4,456	(4,062)
<b>Total other comprehensive income</b>		<b>-</b>	<b>394</b>	<b>394</b>	<b>394</b>	<b>4,456</b>	<b>(4,062)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>-</b>	<b>373</b>	<b>373</b>	<b>373</b>	<b>5,844</b>	<b>(5,471)</b>



PARLIAMENTARY SERVICES DEPARTMENT

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

8.8 Explanatory statement (cont.)

8.8.2 Statement of Financial Position Variances

	Variance note	Estimate 2020 \$000	Actual 2020 \$000	Variance \$000	Actual 2020 \$000	Actual 2019 \$000	Variance \$000
<b>ASSETS</b>							
<b>Current Assets</b>							
Cash and cash equivalents		1,279	1,608	329	1,608	1,669	(61)
Receivables		164	127	(37)	127	170	(43)
Other current assets		237	329	92	329	271	58
<b>Total Current Assets</b>		<b>1,680</b>	<b>2,064</b>	<b>384</b>	<b>2,064</b>	<b>2,110</b>	<b>(46)</b>
<b>Non-Current Assets</b>							
Restricted cash and cash equivalents		152	135	(17)	135	45	90
Amounts receivable for services		16,328	16,206	(122)	16,206	14,795	1,411
Property, plant and equipment		69,425	74,148	4,723	74,148	74,392	(244)
Right-of-use assets		398	26	(372)	26	-	26
Intangible assets		135	152	17	152	77	75
Other non-current assets		71	4	(67)	4	36	(32)
<b>Total Non-Current Assets</b>		<b>86,509</b>	<b>90,671</b>	<b>4,162</b>	<b>90,671</b>	<b>89,345</b>	<b>1,326</b>
<b>TOTAL ASSETS</b>		<b>88,189</b>	<b>92,735</b>	<b>4,546</b>	<b>92,735</b>	<b>91,455</b>	<b>1,280</b>
<b>LIABILITIES</b>							
<b>Current Liabilities</b>							
Payables		806	531	(275)	531	906	(375)
Lease liabilities		138	15	(123)	15	-	15
Employee related provisions		1,975	2,325	350	2,325	2,051	274
<b>Total Current Liabilities</b>		<b>2,919</b>	<b>2,871</b>	<b>(48)</b>	<b>2,871</b>	<b>2,957</b>	<b>(86)</b>
<b>Non-Current Liabilities</b>							
Lease liabilities		280	12	(268)	12	-	12
Employee related provisions		239	220	(19)	220	257	(37)
<b>Total Non-Current Liabilities</b>		<b>519</b>	<b>232</b>	<b>(287)</b>	<b>232</b>	<b>257</b>	<b>(25)</b>
<b>TOTAL LIABILITIES</b>		<b>3,438</b>	<b>3,103</b>	<b>(335)</b>	<b>3,103</b>	<b>3,214</b>	<b>(111)</b>
<b>NET ASSETS</b>		<b>84,751</b>	<b>89,632</b>	<b>4,881</b>	<b>89,632</b>	<b>88,241</b>	<b>1,391</b>
<b>EQUITY</b>							
Contributed equity		27,575	27,474	(101)	27,474	26,456	1,018
Reserves		47,713	51,299	3,586	51,299	50,905	394
Accumulated surplus		9,463	10,859	1,396	10,859	10,880	(21)
<b>TOTAL EQUITY</b>		<b>84,751</b>	<b>89,632</b>	<b>4,881</b>	<b>89,632</b>	<b>88,241</b>	<b>1,391</b>



PARLIAMENTARY SERVICES DEPARTMENT

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

8.8 Explanatory statement (cont.)

8.8.3 Statement of Cash Flows Variances

	Variance note	Estimate 2020 \$000	Actual 2020 \$000	Variance \$000	Actual 2020 \$000	Actual 2019 \$000	Variance \$000
<b>CASH FLOWS FROM STATE GOVERNMENT</b>							
Service appropriation		16,422	16,525	103	16,525	15,949	576
Capital appropriation		1,119	1,018	(101)	1,018	1,000	18
<b>Net cash provided by State Government</b>		<b>17,541</b>	<b>17,543</b>	<b>2</b>	<b>17,543</b>	<b>16,949</b>	<b>594</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits		(11,689)	(11,576)	113	(11,576)	(11,636)	60
Supplies and services		(2,603)	(3,041)	(438)	(3,041)	(2,267)	(774)
Finance costs		(17)	(1)	16	(1)	-	(1)
Accommodation		(1,756)	(2,071)	(315)	(2,071)	(1,569)	(502)
Grants and subsidies		(5)	(2)	3	(2)	(2)	-
GST payments on purchases		(565)	(569)	(4)	(569)	(650)	81
Other payments		(352)	(55)	297	(55)	(75)	20
<b>Receipts</b>							
GST receipts from taxation authority		565	589	24	589	508	81
GST receipts on sales		-	28	28	28	134	(106)
Other receipts		-	212	212	212	1,203	(991)
<b>Net cash provided by/(used in) operating activities</b>		<b>(16,422)</b>	<b>(16,486)</b>	<b>(64)</b>	<b>(16,486)</b>	<b>(14,354)</b>	<b>(2,132)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>							
<b>Payments</b>							
Purchase of non-current assets	A	(1,000)	(1,012)	(12)	(1,012)	(2,378)	1,366
<b>Receipts</b>							
Proceeds from sale of non-current assets		-	-	-	-	5	(5)
<b>Net cash flows provided by/(used in) investing activities</b>		<b>(1,000)</b>	<b>(1,012)</b>	<b>(12)</b>	<b>(1,012)</b>	<b>(2,373)</b>	<b>1,361</b>



PARLIAMENTARY SERVICES DEPARTMENT

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

8.8 Explanatory statement (cont.)

8.8.3 Statement of Cash Flows Variances

	Variance note	Estimate 2020 \$000	Actual 2020 \$000	Variance \$000	Actual 2020 \$000	Actual 2019 \$000	Variance \$000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>							
Principal elements of lease		(119)	(16)	(103)	(16)	-	(16)
<b>Net cash provided by/(used in) financing activities</b>		<b>(119)</b>	<b>(16)</b>	<b>(103)</b>	<b>(16)</b>	<b>-</b>	<b>(16)</b>
Net increase/(decrease) in cash and cash equivalents		-	29	29	29	222	(193)
Cash and cash equivalents at the beginning of the period		1,431	1,714	283	1,714	1,492	222
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		<b>1,431</b>	<b>1,743</b>	<b>312</b>	<b>1,743</b>	<b>1,714</b>	<b>29</b>

Major Estimate and Actual (2020) Variance Narratives: Nil

Major Actual (2020) and Comparative (2019) Variance Narratives:

- A The decrease in non-current asset expenditure from the prior year is directly related to a reduction in building works and projects (beyond scope of existing service provisions) undertaken on behalf of the Chamber Departments.

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**PARLIAMENTARY SERVICES DEPARTMENT**  
**CERTIFICATION OF KEY PERFORMANCE INDICATORS**  
**FOR THE YEAR ENDED 30 JUNE 2020**

I hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Parliamentary Service Department's performance, and fairly represent the performance of the Parliamentary Services Department for the financial year ended 30 June 2020.



Rob Hunter  
Accountable Authority

Date: 24/8/2020



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**Performance Indicators of the  
Parliamentary Services Department**  
for the year ended **30 June 2020**

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## Desired Outcome

Parliamentary Services Department provides apolitical ancillary services to Members of Parliament, Chamber departments, Parliamentary staff and other users through two specific service roles that are undertaken to meet the Department's single desired outcome. In doing so, the Department supports a broad, high level goal that reflects its service provision role.

Parliamentary Services Department is not part of the State public service or an agency of Government and does not directly contribute to the Government desired outcomes.

The following table illustrates the relationship between the Department's primary goal and the desired outcome of service activities.

Desired Outcome	Services
Infrastructure, facilities, information and services that meet the needs of stakeholders.	1. Provision of Infrastructure and Facilities 2. Provision of Information and Services

## Key Effectiveness Indicators

Three indicators have been identified to measure the effectiveness of services in meeting the desired outcome.

### Availability of Services

This indicator measures the availability of services (distinguishing between Infrastructure/ Facilities and Information/Services), recognising that service outages significantly impact upon the operations of Parliament.

The calculation of service availability is based on recorded service down time of more than half a day that has not been scheduled and advised to stakeholders in advance. A weighting is allocated to different services and to sitting and non-sitting days to reflect the perceived impact of a particular outage on the operations of Parliament. For example, an outage of IT services on a sitting day is given a higher weighting compared to a non-sitting day.

The Target figure represents a threshold of minimum acceptable performance in the effective delivery of service. It is expected that actual performance may exceed these targets.

The availability of services recorded in 2020 was lower than in prior years due to closures resulting from Parliament's response to the COVID-19 pandemic.

	2017 Actual	2018 Actual	2019 Actual	2020 Target	2020 Actual	Variance
Availability of Infrastructure and Facilities.	99.9%	99.9%	99.5%	95%	<b>98.4%</b>	+ 3.4%
Availability of Information and Services.	98.6%	100%	100.0%	95%	<b>96.7%</b>	+ 1.7%

## Member Satisfaction with Services

This Key Effectiveness Indicator measures Member satisfaction with the services provided, with separate measures for the Infrastructure/Facilities and Information/Services groupings of services. A Member survey was distributed to all Legislative Council and Legislative Assembly Members in June 2020, with 53 out of 93 Members (excluding the Presiding Officers) completing the survey. This represents a response rate of 57.0%. A response of Satisfactory, Good or Very Good was considered acceptable, with any lower rating impacting upon the percentage of service achievement.

The Target figure represents a threshold of minimum acceptable performance in the effective delivery of service.

	2017 Actual	2018 Actual	2019 Actual	2020 Target	<b>2020 Actual</b>	Variance
Average Member rating of Infrastructure and Facilities.	97.8%	98.0%	96.2%	90%	<b>97.8%</b>	+ 7.8%
Average Member rating of Information and Services.	97.8%	98.6%	98.2%	90%	<b>97.9%</b>	+ 7.9%

## Parliamentary Staff and Presiding Officers Satisfaction with Services

This Key Effectiveness Indicator measures the satisfaction of a different group of stakeholders, being the Presiding Officers (President of the Legislative Council and Speaker of the Legislative Assembly) and Parliamentary staff who support the Members and the operations of Parliament. While the Presiding Officers are also Members, the Department provides services to the Presiding Officers that are additional to those provided to other Members.

A Staff survey was distributed to all Parliamentary staff and the two Presiding Officers during June 2020. A response rate of 42.9% (79 out of 184) was achieved and responses were collated to provide the PO and Staff rating. A rating of Satisfactory, Good or Very Good was considered satisfactory, with any lower rating impacting upon the percentage of service achievement.

	2017 Actual	2018 Actual	2019 Actual	2020 Target	<b>2020 Actual</b>	Variance
Average Presiding Officer and Staff rating for Infrastructure, Facilities, Information and Services.	97.8%	97.6%	97.4%	95%	<b>98.0%</b>	+ 3.0%

## Key Efficiency Indicators

These Key Efficiency Indicators identify two distinct service groups provided by the Department in support of the operations of Parliament. These indicators measure the resources used by the Department in providing services to Members and Chamber Departments.

### Service 1: Provision of Infrastructure and Facilities

Key Efficiency Indicators	2017 Actual	2018 Actual	2019 Actual	2020 Target	2020 Actual	Variance to Target
Average cost of providing Infrastructure and Facilities for the Members of Parliament and Chamber Departments' staff	\$38,297	\$39,681	\$38,570	\$41,108	<b>\$42,640</b>	+ \$1,532 + 3.7%
Percentage of variable costs expended to maintain Parliament House building and grounds <sup>(a)</sup>	29%	24%	21%	24%	<b>27%</b>	+ 3%

(a) Variable costs represent the Department's total recurrent funds less staffing costs, statutory charges and contractual obligations. Depreciation expense is included in variable costs in this measure as the majority of this expense relates to buildings and building improvements. This provides a link between building maintenance expenditure and the value of buildings and improvements. The variance to target is mainly due to the increased volume of building works and maintenance undertaken within projects and expensed during the year.

### Service 2: Provision of Information and Services

Key Efficiency Indicators	2017 Actual	2018 Actual	2019 Actual	2020 Target	2020 Actual	Variance
Average cost of providing Information and Services for the Members of Parliament and Chamber Departments' staff <sup>(b)</sup>	\$56,327	\$45,057	\$46,312	\$45,213	<b>\$45,536</b>	+ \$323 + 0.7%
Average cost of services per sitting day <sup>(c)</sup>	\$51,346	\$47,788	\$49,657	\$49,637	<b>\$50,051</b>	+ \$414 + 0.8%
Average cost, per Student / Member of the Public, to promote knowledge and awareness of the work of the Parliament <sup>(d)</sup>	\$23.58	\$20.69	\$16.22	\$20.40	<b>\$29.44</b>	+ \$9.04 + 44.3%

(b) This measure relates to expenses associated with non-sitting days.

(c) The average cost per sitting day is calculated as the average cost of services per business day (excluding sitting related expenses) plus the average sitting specific costs per sitting day. The average was higher in 2020 due to higher than budgeted expenditure in Information and Services as a result of an additional 4 sitting days, mainly due to the COVID-19 pandemic.

(d) The cessation of visitors to Parliament House from 16 March 2020 due to COVID-19 reduced the number of students and members of the public participating in Parliamentary tours and education in 2020. The cost of salaries and wages was maintained during closure and this is reflected in a higher than budgeted average cost per visitor.



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