



# Part 4

## Financial statements

Contents	88
Independent auditor's report	89
Certification	91
Primary financial statements	92
Overview	101
Notes to the financial statements	104

# Contents

<b>Independent Auditor's Report</b>	<b>89</b>
<b>Certification</b>	<b>91</b>
Statement of comprehensive income	92
Statement of financial position	93
Statement of changes in equity	94
Cash flow statement	96
Administered schedule of comprehensive income	97
Administered schedule of assets and liabilities	98
Administered reconciliation schedule	99
Administered cash flow statement	100
<b>Overview</b>	<b>101</b>
<b><i>Financial performance</i></b>	<b><i>104</i></b>
1 Expenses	104
2 Own-source revenue and gains	106
<b><i>Financial position</i></b>	<b><i>109</i></b>
3 Financial assets	109
4 Non-Financial assets	111
5 Payables	115
6 Interest bearing liabilities	116
<b><i>People and relationships</i></b>	<b><i>117</i></b>
7 Employee provisions	117
8 Key Management Personnel remuneration	119
9 Related party disclosures	120
<b><i>Funding</i></b>	<b><i>121</i></b>
10 Appropriations	121
11 Unspent annual appropriations	123
12A Special appropriations	124
12B Disclosures by agent in relation to special appropriations	124
13 Net cash appropriation arrangements	125
<b><i>Managing uncertainties</i></b>	<b><i>126</i></b>
14 Financial instruments	126
15 Fair value	128
<b><i>Other information</i></b>	<b><i>129</i></b>
16 Aggregate assets and liabilities	129
<b><i>Major budget variances</i></b>	<b><i>130</i></b>
17 Departmental budget variances commentary	130
18 Administered budget variances commentary	131

# Independent Auditor's Report



## INDEPENDENT AUDITOR'S REPORT

### To the Speaker of the House of Representatives

#### Opinion

In my opinion, the financial statements of the Department of the House of Representatives (the Entity) for the year ended 30 June 2024:

- (a) comply with Australian Accounting Standards – Simplified Disclosures and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Entity as at 30 June 2024 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2024 and for the year then ended:

- Statement by the Clerk of the House and Chief Finance Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement;
- Administered Schedule of Comprehensive Income;
- Administered Schedule of Assets and Liabilities;
- Administered Reconciliation Schedule;
- Administered Cash Flow Statement; and
- Notes to the financial statements, comprising material accounting policy information and other explanatory information.

#### Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and their delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other 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.

#### Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Clerk of the House is responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Simplified Disclosures and the rules made under the Act. The Clerk of the House is also responsible for such internal control as the Clerk of the House determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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# Independent Auditor's Report

In preparing the financial statements, the Clerk of the House is responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result of an administrative restructure or for any other reason. The Clerk of the House is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the assessment indicates that it is not appropriate.

## Auditor's responsibilities for the audit of the financial statements

My objective is 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 the Australian National Audit Office 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.

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

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

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

Australian National Audit Office



Lesa Craswell  
Acting Group Executive Director

Delegate of the Auditor-General

Canberra  
26 September 2024

# Certification

## DEPARTMENT OF THE HOUSE OF REPRESENTATIVES

### STATEMENT BY THE CLERK OF THE HOUSE AND CHIEF FINANCE OFFICER

In our opinion, the attached financial statements for the year ended 30 June 2024 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Department of the House of Representatives will be able to pay its debts as and when they fall due.



CLARESSA SURTEES

Clerk of the House

26 September 2024



LEISA WARD

Chief Finance Officer

26 September 2024

## Statement of comprehensive income

for the period ended 30 June 2024

	Notes	2024 \$'000	2023 \$'000	Original Budget \$'000
<b>NET COST OF SERVICES</b>				
<b>Expenses</b>				
Employee benefits	1A	22,378	21,262	23,746
Suppliers	1B	4,502	4,221	5,243
Depreciation and amortisation	4A	351	384	422
Finance costs	1C	1	1	1
Write-down and impairment of assets	1D	15	45	-
Losses from asset sales	1E	48	13	-
<b>Total expenses</b>		<b>27,295</b>	<b>25,926</b>	<b>29,412</b>
<b>Own-source income</b>				
<b>Own-source revenue</b>				
Revenue from contracts with customers	2A	29	28	50
Interest	2B	112	76	42
Other revenue	2C	1	8	5
<b>Total own-source revenue</b>		<b>142</b>	<b>112</b>	<b>97</b>
<b>Gains</b>				
Other gains	2D	1,960	2,089	2,000
<b>Total gains</b>		<b>1,960</b>	<b>2,089</b>	<b>2,000</b>
<b>Total own-source income</b>		<b>2,102</b>	<b>2,201</b>	<b>2,097</b>
<b>Net cost of services</b>		<b>25,193</b>	<b>23,725</b>	<b>27,315</b>
Revenue from government	2E, 10	27,202	25,006	26,929
<b>Surplus/(deficit) on continuing operations</b>		<b>2,009</b>	<b>1,281</b>	<b>(386)</b>
<b>OTHER COMPREHENSIVE INCOME</b>				
<b>Items not subject to subsequent reclassification to net cost of services</b>				
Changes in asset revaluation surplus		(88)	-	-
<b>Total comprehensive income/(loss)</b>		<b>1,921</b>	<b>1,281</b>	<b>(386)</b>

The above statement should be read in conjunction with the accompanying notes.

The Original Budget was published in the Portfolio Budget Statements 2023-24.

Budget variance explanations are outlined in Note 17.

## Statement of financial position

as at 30 June 2024

	Notes	2024 \$'000	2023 \$'000	Original Budget \$'000
<b>ASSETS</b>				
<b>Financial assets</b>				
Cash and cash equivalents	3A	5,600	2,716	1,121
Trade and other receivables	3B	25,528	23,866	23,925
Other investments	3C	-	2,480	2,480
<b>Total financial assets</b>		<b>31,128</b>	<b>29,062</b>	<b>27,526</b>
<b>Non-financial assets<sup>1</sup></b>				
Heritage and cultural	4A	595	570	454
Property, plant and equipment	4A	2,367	2,811	2,496
Computer software	4A	67	90	389
Inventories	4B	10	10	10
Other non-financial assets	4C	192	187	211
<b>Total non-financial assets</b>		<b>3,231</b>	<b>3,668</b>	<b>3,560</b>
<b>Total assets</b>		<b>34,359</b>	<b>32,730</b>	<b>31,086</b>
<b>LIABILITIES</b>				
<b>Payables</b>				
Suppliers	5A	797	516	1,297
Other payables	5B	637	561	492
<b>Total payables</b>		<b>1,434</b>	<b>1,077</b>	<b>1,789</b>
<b>Interest bearing liabilities</b>				
Leases	6	40	24	38
<b>Total interest bearing liabilities</b>		<b>40</b>	<b>24</b>	<b>38</b>
<b>Provisions</b>				
Employee provisions	7	6,313	6,338	6,261
<b>Total provisions</b>		<b>6,313</b>	<b>6,338</b>	<b>6,261</b>
<b>Total liabilities</b>		<b>7,787</b>	<b>7,439</b>	<b>8,088</b>
<b>Net assets</b>		<b>26,572</b>	<b>25,291</b>	<b>22,998</b>
<b>EQUITY</b>				
Contributed equity		(11,847)	(11,207)	(10,647)
Reserves		12,883	12,971	12,971
Retained earnings		25,536	23,527	20,674
<b>Total equity</b>		<b>26,572</b>	<b>25,291</b>	<b>22,998</b>

The above statement should be read in conjunction with the accompanying notes.

The Original Budget was published in the Portfolio Budget Statements 2023-24.

Budget variance explanations are outlined in Note 17.

1. Right-of-use assets are included in property, plant and equipment.

## Statement of changes in equity

for the period ended 30 June 2024

	2024 \$'000	2023 \$'000	Original Budget \$'000
<b>CONTRIBUTED EQUITY</b>			
<b>Opening balance as at 1 July</b>			
Balance carried forward from previous period	(11,207)	(11,293)	(10,647)
<b>Transactions with owners</b>			
<b>Distributions to owners</b>			
Departmental capital budget	(640)	(560)	-
<b>Contributions by owners</b>			
Departmental capital budget	-	646	-
<b>Total transactions with owners</b>	<b>(640)</b>	<b>86</b>	<b>-</b>
<b>Closing balance as at 30 June</b>	<b>(11,847)</b>	<b>(11,207)</b>	<b>(10,647)</b>
<b>RETAINED EARNINGS</b>			
<b>Opening balance as at 1 July</b>			
Balance carried forward from previous period	23,527	22,246	21,060
<b>Comprehensive income</b>			
Surplus/(deficit) for the period	2,009	1,281	(386)
<b>Total comprehensive income</b>	<b>2,009</b>	<b>1,281</b>	<b>(386)</b>
<b>Closing balance as at 30 June</b>	<b>25,536</b>	<b>23,527</b>	<b>20,674</b>
<b>ASSET REVALUATION RESERVE</b>			
<b>Opening balance</b>			
Balance carried forward from previous period	12,971	12,971	12,971
<b>Comprehensive income</b>			
Other comprehensive income	(88)	-	-
<b>Total comprehensive income</b>	<b>(88)</b>	<b>-</b>	<b>-</b>
<b>Closing balance as at 30 June</b>	<b>12,883</b>	<b>12,971</b>	<b>12,971</b>



## Statement of changes in equity (continued)

for the period ended 30 June 2024

	2024	2023	Original Budget
	\$'000	\$'000	\$'000
<b>TOTAL EQUITY</b>			
<b>Opening balance as at 1 July</b>			
Balance carried forward from previous period	25,291	23,924	23,384
<b>Comprehensive income</b>			
Surplus/(deficit) for the period	2,009	1,281	(386)
Other comprehensive income	(88)	-	-
<b>Total comprehensive income</b>	<b>1,921</b>	<b>1,281</b>	<b>(386)</b>
<b>Transactions with owners</b>			
<b>Distributions to owners</b>			
Departmental capital budget	(640)	(560)	-
<b>Contributions by owners</b>			
Departmental capital budget	-	646	-
<b>Total transactions with owners</b>	<b>(640)</b>	<b>86</b>	<b>-</b>
<b>Closing balance as at 30 June</b>	<b>26,572</b>	<b>25,291</b>	<b>22,998</b>

The above statement should be read in conjunction with the accompanying notes.

The Original Budget was published in the Portfolio Budget Statements 2023-24.

Budget variance explanations are outlined in Note 17.

### ***Accounting policy***

#### **Equity Injections**

Amounts appropriated which are designated as 'equity injections' for a year (less any formal reductions) and Departmental Capital Budgets (DCBs) are recognised directly in contributed equity in that year.

## Cash flow statement

for the period ended 30 June 2024

	Notes	2024 \$'000	2023 \$'000	Original Budget \$'000
<b>OPERATING ACTIVITIES</b>				
<b>Cash received</b>				
Appropriations		25,048	25,065	27,079
Sale of goods and rendering of services		34	31	50
Interest		167	22	42
Revenue from external sources		1	8	-
Net GST received		184	216	-
Other		-	-	5
<b>Total cash received</b>		<b>25,434</b>	<b>25,342</b>	<b>27,176</b>
<b>Cash used</b>				
Employees		22,327	21,110	23,746
Suppliers		2,659	3,164	3,243
Interest payments on lease liabilities		1	1	1
<b>Total cash used</b>		<b>24,987</b>	<b>24,275</b>	<b>26,990</b>
<b>Net cash from/(used by) operating activities</b>		<b>447</b>	<b>1,067</b>	<b>186</b>
<b>INVESTING ACTIVITIES</b>				
<b>Cash received</b>				
Investments		2,480	-	-
<b>Total cash received</b>		<b>2,480</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>				
Purchase of property, plant and equipment		28	103	150
<b>Total cash used</b>		<b>28</b>	<b>103</b>	<b>150</b>
<b>Net cash from/(used by) investing activities</b>		<b>2,452</b>	<b>(103)</b>	<b>(150)</b>
<b>FINANCING ACTIVITIES</b>				
<b>Cash received</b>				
Contributed equity-departmental capital budget		-	646	-
<b>Total cash received</b>		<b>-</b>	<b>646</b>	<b>-</b>
<b>Cash used</b>				
Principal payments of lease liabilities		15	15	36
<b>Total cash used</b>		<b>15</b>	<b>15</b>	<b>36</b>
<b>Net cash from/(used by) financing activities</b>		<b>(15)</b>	<b>631</b>	<b>(36)</b>
<b>Net increase/(decrease) in cash held</b>		<b>2,884</b>	<b>1,595</b>	<b>-</b>
Cash and cash equivalents at the beginning of the reporting period		2,716	1,121	1,121
<b>Cash and cash equivalents at the end of the reporting period</b>	3A	<b>5,600</b>	<b>2,716</b>	<b>1,121</b>

The above statement should be read in conjunction with the accompanying notes.

The Original Budget was published in the Portfolio Budget Statements 2023-24.

Budget variance explanations are outlined in Note 17.

## Administered schedule of comprehensive income

for the period ended 30 June 2024

	Notes	2024 \$'000	2023 \$'000	Original Budget \$'000
<b>NET COST OF SERVICES</b>				
<b>Expenses</b>				
Provision of hospitality services		240	158	347
<b>Total expenses</b>		<b>240</b>	<b>158</b>	<b>347</b>
<b>Net (cost of)/contribution by services</b>		<b>(240)</b>	<b>(158)</b>	<b>(347)</b>
<b>Surplus/(deficit)</b>		<b>(240)</b>	<b>(158)</b>	<b>(347)</b>
<b>Total comprehensive income/(loss)</b>		<b>(240)</b>	<b>(158)</b>	<b>(347)</b>

The above schedule should be read in conjunction with the accompanying notes.

The Original Budget was published in the Portfolio Budget Statements 2023-24.

Budget variance explanations are outlined in Note 18.

## Administered schedule of assets and liabilities

as at 30 June 2024

	Notes	2024 \$'000	2023 \$'000	Original Budget \$'000
<b>ASSETS</b>				
<b>Financial assets</b>				
GST receivable		5	2	1
<b>Total financial assets</b>		<b>5</b>	<b>2</b>	<b>1</b>
<b>Total assets administered on behalf of Government</b>		<b>5</b>	<b>2</b>	<b>1</b>
<b>LIABILITIES</b>				
<b>Payables</b>				
Suppliers		21	14	30
Other payables		5	2	1
<b>Total payables</b>		<b>26</b>	<b>16</b>	<b>31</b>
<b>Total liabilities administered on behalf of Government</b>		<b>26</b>	<b>16</b>	<b>31</b>
<b>Net assets/(liabilities)</b>		<b>(21)</b>	<b>(14)</b>	<b>(30)</b>

Administered assets and liabilities consist of accrued expenses and amounts owed to/from the Australian Taxation Office. All assets and liabilities are considered current and are expected to be recovered /settled within 12 months.

The above schedule should be read in conjunction with the accompanying notes.

The Original Budget was published in the Portfolio Budget Statements 2023-24.

Budget variance explanations are outlined in Note 18.

## Administered reconciliation schedule

	2024	2023
	\$'000	\$'000
<b>Opening assets less liabilities as at 1 July</b>	<b>(14)</b>	(31)
<b>Net (cost of)/contribution by services</b>		
Expenses		
Payments to entities other than corporate Commonwealth entities	<b>(240)</b>	(158)
<b>Transfers (to)/from the Australian Government</b>		
Annual appropriation transfers from official public account	<b>233</b>	175
<b>Closing assets less liabilities as at 30 June</b>	<b>(21)</b>	(14)

The above schedule should be read in conjunction with the accompanying notes.

### *Accounting policy*

#### **Administered Cash Transfers to and from the Official Public Account (OPA)**

Revenue collected by the department for use by the Government rather than the department is administered revenue. Collections are transferred to the Official Public Account (OPA) maintained by the Department of Finance. Cash is drawn from the OPA to make payments under parliamentary appropriation on behalf of the government. These transfers to and from the OPA are adjustments to the administered cash held by the department on behalf of government and reported as such in the administered cash flows and in the administered reconciliation schedule.

## Administered cash flow statement

for the period ended 30 June 2024

	Notes	2024 \$'000	2023 \$'000	Original Budget \$'000
<b>OPERATING ACTIVITIES</b>				
<b>Cash received</b>				
Net GST received		12	12	-
<b>Total cash received</b>		<b>12</b>	<b>12</b>	<b>-</b>
<b>Cash used</b>				
Suppliers		248	188	347
<b>Total cash used</b>		<b>248</b>	<b>188</b>	<b>347</b>
<b>Net cash from/(used by) operating activities</b>		<b>(236)</b>	<b>(176)</b>	<b>(347)</b>
<b>Cash from official public account</b>				
Appropriations		233	175	347
GST appropriations		15	13	-
<b>Total cash from official public account</b>		<b>248</b>	<b>188</b>	<b>347</b>
<b>Cash to official public account</b>				
GST appropriations		(12)	(12)	-
<b>Total cash to official public account</b>		<b>236</b>	<b>176</b>	<b>347</b>
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>-</b>	<b>-</b>	<b>-</b>

This schedule should be read in conjunction with the accompanying notes.

The Original Budget was published in the Portfolio Budget Statements 2023-24.

Budget variance explanations are outlined in Note 18.

## Overview

The department is one of four parliamentary departments supporting the Australian Parliament. The department provides services to support the efficient conduct of the House of Representatives, its committees and certain joint committees as well as a range of services for members in Parliament House. The department also assists the parliament by providing advice and services to support the parliament's national, international and regional relationships and by assisting other parliaments, primarily within the Indo-Pacific region, by partnering in capacity-building activities.

The department is structured to meet one outcome:

*Advisory and administrative services support the House of Representatives to fulfil its representative and legislative role.*

The continued existence of the department in its present form is dependent on continuing appropriations by parliament for the department's administration and programs.

The department conducts the following administered activities:

- » providing a booking service for school groups visiting Parliament House, and
- » coordinating provision of hospitality for these groups.

The department is a not-for-profit entity and a non-corporate Commonwealth entity and is domiciled in Australia. The registered office is Parliament House, Canberra in the Australian Capital Territory.

## Basis of preparation of the financial report

The financial statements are required by section 42 of the *Public Governance, Performance and Accountability Act 2013*.

The financial statements have been prepared in accordance with:

- a) *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR); and
- b) Australian Accounting Standards and Interpretations – including simplified disclosures for Tier 2 Entities under AASB 1060 issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities reported at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars and are rounded to the nearest thousand dollar unless otherwise specified.

## New accounting standards

All new/revised/amending standards and/or interpretations that were issued prior to the sign-off date and are applicable to the current reporting period did not have a material effect on the department's financial statements.

Standard/ Interpretation	Nature of change in accounting policy, transitional provisions, and adjustment to financial statements
AASB 2022-10 <i>Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-For-Profit Public Sector Entities</i> (AASB 2022-10)	This standard amends AASB 13 <i>Fair Value Measurement</i> for fair value measurements of non-financial assets of not-for-profit public sector entities not held primarily for their ability to generate net cash inflows. This standard also adds implementation advice and relevant illustrative examples for fair value measurements of non-financial assets of not-for-profit public sector entities not held primarily for their ability to generate net cash inflows.
AASB 2023-3 <i>Amendments to Australian Accounting Standards – Disclosure of Non-current Liabilities with Covenants: Tier 2</i> (AASB 2023-3)	AASB 2023-3 amends the tier 2 reporting requirements in AASB 1060 to be consistent with the Tier 1 reporting requirements amended by AASB 2020-1 and AASB 2022-6. This includes: (a) clarifying a liability is non-current if an entity has the right at reporting date to defer settlement of the liability for at least 12 months after the reporting date (b) clarifying the reference to settlement of a liability by the issue of equity instruments in classifying liabilities, and (c) requiring disclosure of information to help users understand the risk that non-current liabilities with covenants could become repayable within 12 months.

## Material accounting judgements and estimates

The department has made assumptions and estimates in the following areas that have a material impact on amounts recorded in the financial statements:

- » The fair value of property, plant and equipment is assessed at market value or current replacement cost as determined by an independent valuer, with a desktop valuation performed at 30 June 2024.
- » Leave provisions involve assumptions based on the expected tenure of existing staff, patterns of leave claims and payouts, future salary movements and future discount rates.

No other accounting assumptions or estimates have been identified that have significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next 12 months.

## Taxation

The department is exempt from all forms of taxation except fringe benefits tax (FBT) and the goods and services tax (GST).



**Reporting of administered activities**

Administered revenues, expenses, assets, liabilities and cash flows are disclosed in the administered schedules and related notes.

Except where otherwise stated below, administered items are accounted for on the same basis and using the same policies as for departmental items, including the application of Australian Accounting Standards.

**Events after the reporting period****Departmental**

There have been no significant events after balance date that may have an impact on the department's operations.

**Administered**

There have been no significant events after balance date that may have an impact on the department's operations.

## Financial performance

This section analyses the financial performance of the Department of the House of Representatives for the year ended 30 June 2024.

### Note 1 Expenses

	2024	2023
	\$'000	\$'000
<b>1A: Employee benefits</b>		
Wages and salaries	16,807	16,092
Superannuation		
Defined contribution plans	1,600	1,447
Defined benefit plans	1,487	1,522
Leave and other entitlements	2,484	2,201
<b>Total employee benefits</b>	<b>22,378</b>	<b>21,262</b>
<b>1B: Suppliers</b>		
<b>Goods and services supplied or rendered</b>		
Staff-related services	383	46
Travel	800	569
Office services	3,122	3,438
Communication	33	53
Corporate expenses	5	4
<b>Total goods and services supplied or rendered</b>	<b>4,343</b>	<b>4,110</b>
Goods supplied	184	194
Services rendered	4,159	3,916
<b>Total goods and services supplied or rendered</b>	<b>4,343</b>	<b>4,110</b>
<b>Other suppliers</b>		
Workers' compensation expenses	159	111
<b>Total other suppliers</b>	<b>159</b>	<b>111</b>
<b>Total suppliers</b>	<b>4,502</b>	<b>4,221</b>

#### **Accounting policy**

#### **Employee Benefits**

Accounting policies for employee related expenses are contained in the People and relationships section.

## Note 1 Expenses (continued)

	2024	2023
	\$'000	\$'000
<b>1C: Finance costs</b>		
Interest on lease liabilities	1	1
<b>Total finance costs</b>	<b>1</b>	<b>1</b>
<b>1D: Write-down and impairment assets</b>		
Impairment of property, plant and equipment	15	45
<b>Total write-down and impairment of assets</b>	<b>15</b>	<b>45</b>
<b>1E: Losses from asset sales</b>		
Losses arising from sale of non-financial assets	48	13
<b>Total losses from asset sales</b>	<b>48</b>	<b>13</b>

### ***Accounting policy***

#### **Finance Costs**

All borrowing costs on lease liabilities are expensed as incurred.

#### **Short-term leases and leases of low-value assets**

The department has elected not to recognise right-of-use assets and lease liabilities for short-term leases of assets that have a lease term of 12 months or less and leases of low-value assets (less than \$10,000 per asset). The department recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

## Note 2 Own-source revenue and gains

	2024	2023
	\$'000	\$'000
<b>2A: Revenue from contracts with customers</b>		
Sale of goods	17	14
Rendering of services	12	14
<b>Total revenue from contracts with customers</b>	<b>29</b>	<b>28</b>
<b>Disaggregation of revenue from contracts with customers</b>		
Major product / service line:		
Services - seminars/conference	12	14
Goods - publications/gift shop	17	14
	<b>29</b>	<b>28</b>
Type of customer:		
Australian Government entities (related parties)	20	16
State and Territory Governments	-	1
Non-government entities	9	11
	<b>29</b>	<b>28</b>
Timing of transfer of goods and services:		
Over time	-	-
Point in time	29	28
	<b>29</b>	<b>28</b>
<b>2B: Interest</b>		
Interest on deposits	112	76
<b>Total interest</b>	<b>112</b>	<b>76</b>
<b>2C: Other revenue</b>		
Royalties	-	7
Rebates	1	1
<b>Total other revenue</b>	<b>1</b>	<b>8</b>

## Note 2 Own-source revenue and gains (continued)

	2024	2023
	\$'000	\$'000
<b>2D: Other gains</b>		
Resources received free of charge		
Remuneration of auditors	93	90
Rent of premises	1,867	1,999
<b>Total other gains</b>	<b>1,960</b>	<b>2,089</b>
<b>2E: Revenue from government</b>		
Appropriations		
Departmental appropriations	27,202	25,006
<b>Total revenue from government</b>	<b>27,202</b>	<b>25,006</b>

### **Accounting policy**

The department receives revenue from appropriations, the rendering of services and the sale of goods.

Revenue from the sale of goods is recognised when control has been transferred to the buyer. The department reviews contracts with customers to ascertain if the contract is in the scope of AASB 15 and if the performance obligations are required by an enforceable contract.

The department has assessed its revenues from seminars, conferences and gift shop and considers these are within the scope of AASB 15 as the performance obligations required by an enforceable contract are sufficiently specific.

The principal activities from which the department generates its revenue are:

- sale of merchandise and procedural materials based on customary business practices – revenue is recognised at point of time when payment is received and control passes to the customer, i.e., upon shipment to the customer.
- conducting seminars on parliamentary procedure and process – revenue is recognised at the point of time when payment is received and the service is provided to the customer, i.e., upon holding each seminar.

The transaction price is the total amount of consideration to which the department expects to be entitled in exchange for transferring promised goods or services to a customer. The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both.

Receivables for goods and services, which generally have pay up-front payment terms, are recognised at the nominal amounts due less any impairment allowance amount. Collectability of debts is reviewed as at the end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

***Accounting policy (continued)*****Interest**

Interest revenue is recognised using the effective interest method.

**Resources Received Free of Charge**

Resources received free of charge are recognised as gains when, and only when, a fair value can be reliably determined, and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense. Resources received free of charge are recorded as either revenue or gains depending on their nature.

**Revenue from Government**

Amounts appropriated for departmental appropriations for the year (adjusted for any formal additions and reductions) are recognised as Revenue from Government when the department gains control of the appropriation, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned. Appropriations receivable are recognised at their nominal amounts.

## Financial position

This section analyses the Department of the House of Representatives' assets used to conduct its operations and the operating liabilities incurred as a result.

Employee-related information is disclosed in the People and Relationships section.

### Note 3 Financial assets

	2024	2023
	\$'000	\$'000
<b>3A: Cash and cash equivalents</b>		
Cash on hand or on deposit	5,600	2,716
<b>Total cash and cash equivalents</b>	<b>5,600</b>	<b>2,716</b>
<b>3B: Trade and other receivables</b>		
<b>Goods and services receivables</b>		
Goods and services	318	166
<b>Total goods and services receivables</b>	<b>318</b>	<b>166</b>
<b>Appropriations receivables</b>		
Appropriation receivable	25,146	23,632
<b>Total appropriations receivables</b>	<b>25,146</b>	<b>23,632</b>
<b>Other receivables</b>		
Cash held by salary packaging providers	33	48
GST input credits receivable	31	20
<b>Total other receivables</b>	<b>64</b>	<b>68</b>
<b>Total trade and other receivables (gross)</b>	<b>25,528</b>	<b>23,866</b>
<b>Less impairment allowance</b>	-	-
<b>Total trade and other receivables (net)</b>	<b>25,528</b>	<b>23,866</b>
<b>3C: Other investments</b>		
Deposits	-	2,480
<b>Total other investments</b>	<b>-</b>	<b>2,480</b>

***Accounting policy*****Financial assets**

Cash is recognised at its nominal amount. Cash and cash equivalents include:

- a) cash on hand
- b) demand deposits in bank accounts with an original maturity of three months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value; and
- c) cash in special accounts.

Trade receivables are recognised where the department becomes party to a contract and has a legal right to receive cash. Receivables are assessed for impairment at the end of each reporting period. Allowances are made when collectability of the debt is no longer probable. Trade receivables are derecognised on payment.

Appropriation receivable are appropriations controlled by the department but held in the Official Public Account. Appropriation receivables are recognised at their nominal amounts.



## Note 4 Non-Financial assets

4A: Reconciliation of the opening and closing balances property, plant and equipment, and intangibles				
	Heritage and cultural <sup>1</sup>	Property, plant and equipment	Computer software	Total
	\$'000	\$'000	\$'000	\$'000
<b>As at 1 July 2023</b>				
Gross book value	570	3,159	799	4,528
Accumulated depreciation, amortisation and impairment	-	(348)	(709)	(1,057)
<b>Total as at 1 July 2023</b>	<b>570</b>	<b>2,811</b>	<b>90</b>	<b>3,471</b>
Additions				
Purchase or internally developed <sup>2</sup>	-	28	-	28
Right-of-use assets (cost)	-	31	-	31
Revaluations and impairments recognised in other comprehensive income	25	(113)	-	(88)
Depreciation and amortisation	-	(314)	(22)	(336)
Depreciation on right-of-use assets	-	(15)	-	(15)
Disposals				
Sale or trade-in	-	(37)	-	(37)
Write-off	-	(64)	(306)	(370)
Accumulated depreciation, amortisation and impairment	-	40	305	345
<b>Total as at 30 June 2024</b>	<b>595</b>	<b>2,367</b>	<b>67</b>	<b>3,029</b>
<b>Total as at 30 June 2024 represented by</b>				
Gross book value	595	2,387	493	3,475
Accumulated depreciation, amortisation and impairment	-	(20)	(426)	(446)
<b>Total as at 30 June 2024</b>	<b>595</b>	<b>2,367</b>	<b>67</b>	<b>3,029</b>
Carrying amount of right-of-use assets	-	39	-	39

1. Other property, plant and equipment that met the definition of a heritage and cultural item were disclosed in the heritage and cultural asset class.

2. There was no work in progress asset completed or capitalised during the 2023-24 financial year.

### Revaluations of non-financial assets

All revaluations were conducted in accordance with the revaluation policy stated at Note 15. On 30 June 2024 an independent valuer, JLL Australia conducted desktop valuation of property, plant and equipment and heritage and cultural assets.

### **Accounting policy**

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor's accounts immediately prior to the restructuring.

### **Asset Recognition Threshold**

Purchases of property, plant and equipment are recognised initially at cost in the statement of financial position, except for purchases costing less than \$2,000, which are expensed in the year of acquisition (other than where these items form part of a group of similar assets that are significant in total).

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

### **Right of Use (ROU) Assets**

ROU assets are capitalised at the commencement date of the lease and comprise of the initial lease liability amount, initial direct costs incurred when entering into the lease less any lease incentives received (if applicable). These assets are accounted for by Commonwealth lessees as separate asset classes to corresponding assets owned outright but included in the same column as where the corresponding underlying assets would be presented if these items were owned.

### **Revaluations**

Following initial recognition at cost, property, plant and equipment (excluding ROU assets) are carried at fair value (or an amount not materially different from fair value) less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets did not differ materially from the assets' fair values as at the reporting date. The regularity of independent valuations depends upon the volatility of movements in market values for the relevant assets.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that the amount reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the surplus/deficit except to the extent that these amounts reverse a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset restated to the revalued amount.

## **Accounting policy (continued)**

### **Depreciation**

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the department using, in all cases, the straight-line method of depreciation.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future, reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2024	2023
Property, plant and equipment	1 to 50 years	1 to 50 years

The department has items of property, plant and equipment that are heritage and cultural assets that are not depreciated.

The depreciation rates for ROU assets are based on the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term.

### **Impairment**

All assets were assessed for impairment at 30 June 2024. Where indications of impairment exist, the assets recoverable amount is estimated, and an impairment adjustment made if the assets recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the department were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

### **Derecognition**

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

### **Heritage and cultural assets**

The department has the following heritage and cultural assets with an aggregated fair value at 30 June 2024 of \$595,000 (2023: \$570,000):

- » Mace—Garrard engraved silver
- » Dispatch Boxes (2), Rosewood with silver and enamel embossing
- » Yirrkala bark petition 14 Aug 1963, bark 59.1cm x 33.2cm
- » Yirrkala bark petition 28 Aug 1963, wood bark 49.1cm x 30cm

**Accounting policy (continued)**

- » Yirrkala bark petition 8 Oct 1968, wood bark 59.1cm x 34cm
- » Rituals—Yirrkala people 1976, wood feathers 47.1cm x 24.2cm.

The department has classified these items as heritage and cultural assets as these items are primarily used for purposes that relate to their heritage value and cultural significance.

Heritage and cultural assets have an indefinite useful life which is maintained through the department's adoption of appropriate curatorial and preservation activities. The department's heritage items are deemed part of the Parliament House Art Collection and are maintained in accordance with policies managed by the Department of Parliamentary Services. The Parliament's policy on the preservation of the Parliament House Art Collection can be found at:

[https://www.aph.gov.au/Visit\\_Parliament/Art](https://www.aph.gov.au/Visit_Parliament/Art)

**Intangible Assets**

The department's intangible assets comprise internally developed and purchased software for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment losses. Software is amortised on a straight-line basis over its anticipated useful life. The useful lives of the department's software are between 5 to 10 years (2023: 3 to 20 years).

All software assets were assessed for indications of impairment by appropriately qualified departmental officers as at 30 June 2024.

## Note 4 Non-financial assets (continued)

	2024	2023
	\$'000	\$'000
<b>4B: Inventories</b>		
<b>Inventories held for sale</b>		
Finished goods	10	10
<b>Total inventories held for sale</b>	10	10
<b>Total inventories</b>	10	10

During 2023-24, \$3,128 of inventory was recognised as an expense (2023: \$2,912).

All inventories are expected to be sold or distributed in the next 12 months.

<b>4C: Other non-financial assets</b>		
Prepayments	192	187
<b>Total other non-financial assets</b>	192	187

No indicators of impairment were found for other non-financial assets.

### **Accounting policy**

Inventories held for sale are valued at the lower of cost and net realisable value. Inventories held for distribution are valued at cost, adjusted for any loss of service potential.

Inventories acquired at no cost or nominal consideration are initially measured at current replacement cost at the date of acquisition.

## Note 5 Payables

	2024	2023
	\$'000	\$'000
<b>5A: Suppliers</b>		
Trade creditors and accruals	797	516
<b>Total suppliers</b>	797	516

Settlement is usually made within 20 days.

<b>5B: Other payables</b>		
Salaries and wages	505	415
Superannuation	90	80
Salary sacrifice payable	33	48
Unearned income	9	8
Other payables	-	10
<b>Total other payables</b>	637	561

## Note 6 Interest bearing liabilities

	2024 \$'000	2023 \$'000
<b>6: Leases</b>		
Lease liabilities	40	24
<b>Total leases</b>	<b>40</b>	<b>24</b>
<b>Maturity analysis - contractual undiscounted cash flows</b>		
Within 1 year	13	16
Between 1 to 5 years	27	8
<b>Total leases</b>	<b>40</b>	<b>24</b>

Total cash outflow for leases for the year ended 30 June 2024 was \$20,821. (2023: \$20,821).

The department in its capacity as a lessee has entered into a contractual arrangement with SG Fleet for the provision of motor vehicles. At 30 June 2024 there were two leases.

The above lease disclosures should be read in conjunction with the accompanying notes: 1B, 1C, 4A.

### **Accounting policy**

For all new contracts entered into, the department considers whether the contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

Once it has been determined that a contract is, or contains a lease, the lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease, if that rate is readily determinable, or the department's incremental borrowing rate.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification to the lease. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or profit and loss depending on the nature of the reassessment or modification.

## People and relationships

This section describes a range of employment and post-employment benefits provided to our people and our relationships with other key people.

### Note 7 Employee provisions

	2024 \$'000	2023 \$'000
<b>7: Employee provisions</b>		
Leave and other entitlements	6,313	6,338
<b>Total employee provisions</b>	<b>6,313</b>	<b>6,338</b>
<b>Employee provisions expected to be settled</b>		
No more than 12 months	1,773	1,758
More than 12 months	4,540	4,580
<b>Total employee provisions</b>	<b>6,313</b>	<b>6,338</b>

#### **Accounting policy**

Liabilities for 'short-term employee benefits' (as defined in AASB 119 *Employee Benefits*) and termination benefits expected within twelve months of the end of the reporting period are measured at their nominal amounts.

#### **Leave**

The liability for employee benefits includes provision for annual leave and long-service leave.

The annual leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will apply at the time the leave is taken, plus the departments employer superannuation contribution rates and applicable on-costs, to the extent that the leave is likely to be taken during service rather than paid out on termination.

The liability for long service leave (LSL) has been determined using the LSL shorthand model issued by the Department of Finance (2023: LSL shorthand method). The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and enterprise agreements.

#### **Superannuation**

The department's staff are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), the PSS accumulation plan (PSSap) or other eligible, elected defined contribution schemes. The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap is a defined contribution scheme.

***Accounting policy (continued)***

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes.

The department makes employer contributions to the employee's defined benefit superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the government. The department accounts for the contributions as if these amounts were contributions to defined contribution plans. The liability for superannuation recognised as at 30 June 2024 represents outstanding contributions.



## Note 8 Key Management Personnel remuneration

Key Management Personnel (KMP) are those persons having authority and responsibility for planning, directing and controlling the activities of the department, directly or indirectly. The department has determined the key management personnel to be the Clerk of the House, the Deputy Clerk, three Clerk Assistants and the Serjeant-at-Arms. Key management personnel remuneration is reported in the table below:

	2024 \$'000	2023 \$'000
<b>8: Key Management Personnel Remuneration</b>		
Short-term employee benefits	1,634	1,598
Post-employment benefits	280	271
Other long-term employee benefits	42	53
Total key management personnel remuneration expenses	<u>1,956</u>	<u>1,922</u>

The total number of key management personnel that are included in the above table is seven. (2023: six)

The 2023 short-term employee benefits have been restated from \$1,613,315 as disclosed in the 2022-23 Financial Statements to \$1,598,157. The reduction relates to an overpayment to KMP relating to 2022-23 benefits and was repaid in full in 2023-24. This overpayment resulted in minor overpayments of other KMP 2022-23 short-term benefits. These overpayments payments will be recovered in the 2024-25 financial year.

## Note 9 Related party disclosures

### Transactions with related parties

Given the breadth of government activities, related parties may transact with the government sector in the same capacity as ordinary citizens. Such transactions include the payment or refund of taxes, receipt of a Medicare rebate or higher education loans. These transactions are not considered to be related party transactions.

The department transacts with other Australian Government controlled entities consistent with normal day-to-day business operations provided under normal terms and conditions, including the payment of workers' compensation and insurance premiums, transactions between the other parliamentary departments and the Department of Finance. These are not considered individually significant to warrant separate disclosure as related party transactions. Refer to Note 7 Employee benefits for details on superannuation arrangements with the Commonwealth.

Considering relationships with related entities, and transactions entered into during the reporting period by the department, it has been determined that there are no related party transactions to be separately disclosed.

## Funding

This section identifies the Department of the House of Representatives funding structure. Employee-related information is disclosed in the People and Relationships section.

### Note 10 Appropriations

Annual appropriations for 2024						
	Appropriation Act		PGPA Act		Appropriation applied in 2024 (current and prior years)	Variance <sup>3</sup>
	Annual appropriation <sup>1</sup>		Section 74 receipts <sup>2</sup>	Total appropriation		
	\$'000		\$'000	\$'000	\$'000	\$'000
<b>Departmental</b>						
Operating budget	27,202		3,358	30,560	(25,522)	5,038
<b>Total departmental</b>	<b>27,202</b>		<b>3,358</b>	<b>30,560</b>	<b>(25,522)</b>	<b>5,038</b>
<b>Administered</b>						
Operating budget	347		-	347	(233)	114
<b>Total administered</b>	<b>347</b>		<b>-</b>	<b>347</b>	<b>(233)</b>	<b>114</b>

1. The departmental and administered appropriations are automatically repealed three years after they are passed by Parliament.

2. Adjustments to appropriations include adjustments to current year annual appropriations for PGPA Act section 74 receipts.

3. The departmental appropriation variances primarily relates to:

- lower staffing costs due to vacancies across the department,
- travel underspend from continued use of technology where appropriate and available, and
- the department's term deposit of \$2,480,000 which matured in October 2023 and is being held in the department's bank account.

The administered appropriation variance relates to the schools visit position experiencing a vacant period.

## Note 10 Appropriations (continued)

Annual appropriations for 2023						
	Appropriation Act		PGPA Act	Total appropriation	Appropriation applied in 2023 (current and prior years)	Variance <sup>3</sup>
	Annual appropriation <sup>1</sup>	Section 74 receipts <sup>2</sup>				
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Departmental</b>						
Operating budget	25,006	655	25,661	(24,730)	931	
Capital budget <sup>4</sup>	646	-	646	(40)	606	
<b>Total departmental</b>	<b>25,652</b>	<b>655</b>	<b>26,307</b>	<b>(24,770)</b>	<b>1,537</b>	
<b>Administered</b>						
Operating budget	334	-	334	(175)	159	
<b>Total administered</b>	<b>334</b>	<b>-</b>	<b>334</b>	<b>(175)</b>	<b>159</b>	

1. The departmental and administered appropriations are automatically repealed three years after they are passed by Parliament.

2. Adjustments to appropriations include adjustments to current year annual appropriations for PGPA Act section 74 receipts.

3. The departmental appropriation variances primarily relates to:

- a) operating budget - lower staffing costs due to vacancies across the department.
- b) capital budget - there has been less of a requirement for a capital budget due to the transition of systems to the Cloud and the associated accounting treatment of these expenses.

The administered appropriation variance relates to reduced school visits in the first quarter of 2022-23.

4. Departmental Capital Budgets are appropriated through *Appropriation (Parliamentary Departments) Bill (No. 1) 2022-2023* and *Supply (Parliamentary Departments) Bill (No. 2) 2022-2023*. They form part of ordinary annual services, and are not separately identified in the Appropriation Bill. Departmental Capital Budget 2022-23: \$646k.

During 2022-23 the department chose to no longer receive a contribution through equity for its departmental capital budget and for these amounts to be received as departmental appropriations. All unused capital budget appropriations from prior years have been moved to future years' departmental appropriations, except for the 2020-21 appropriation which was moved to the current year through *Appropriation (Parliamentary Departments) Act (No. 2) 2022-2023*.

The department applied \$40k of capital budget appropriation during the 2022-23 year. Total capital purchases for the year totalled \$103k. The department ceased drawing down the capital budget for capital purchases in January 2023 when an agreement had been reached with the Department of Finance that remaining capital funds would be moved to future years operating budget.

## Note 11 Unspent annual appropriations

	2024 \$'000	2023 \$'000
<b>11: Unspent annual appropriations ('recoverable GST exclusive')</b>		
<b>Departmental</b>		
<i>Appropriation (Parliamentary Departments) Act (No. 1) 2020-2021<sup>1</sup></i>	-	266
<i>Supply (Parliamentary Departments) Act (No. 1) 2020-2021<sup>1</sup></i>	-	294
<i>Appropriation (Parliamentary Departments) Act (No. 1) 2021-2022<sup>2</sup></i>	640	640
<i>Supply (Parliamentary Departments) Act (No. 1) 2022 2023</i>	269	8,355
<i>Supply (Parliamentary Departments) Act (No. 2) 2022 2023</i>	377	14,637
<i>Appropriation (Parliamentary Departments) Act (No. 1) 2023-2024</i>	24,500	-
Cash at bank	5,600	2,716
<b>Total departmental</b>	<b>31,386</b>	<b>26,908</b>
<b>Administered</b>		
<i>Appropriation (Parliamentary Departments) Act (No. 1) 2020-2021<sup>3</sup></i>	-	105
<i>Appropriation (Parliamentary Departments) Act (No. 1) 2021-2022<sup>4</sup></i>	94	327
<i>Supply (Parliamentary Departments) Act (No. 1) 2022 2023</i>	139	139
<i>Supply (Parliamentary Departments) Act (No. 2) 2022 2023</i>	195	195
<i>Appropriation (Parliamentary Departments) Act (No. 1) 2023-2024</i>	347	-
<b>Total administered</b>	<b>775</b>	<b>766</b>

1. The unspent departmental appropriations from *Appropriation (Parliamentary Departments) Act (No. 1) 2020-2021* and *Supply (Parliamentary Departments) Act (No. 1) 2020-2021* lapsed on 1 July 2023 - \$560k.

2. The unspent departmental appropriations from *Appropriation (Parliamentary Departments) Act (No. 1) 2021-2022* will lapse on 1 July 2024 - \$640k.

3. The unspent administered appropriations from *Appropriation (Parliamentary Departments) Act (No. 1) 2020-2021* lapsed on 1 July 2023 - \$105k.

4. The unspent administered appropriations from *Appropriation (Parliamentary Departments) Act (No. 1) 2021-2022* will lapse on 1 July 2024 - \$94k.

## Note 12A Special appropriations

	2024 \$'000	2023 \$'000
<b>12A: Special Appropriations ('recoverable GST exclusive')</b>		
<b>Authority</b>		
<i>Public Governance, Performance and Accountability Act 2013—section 58</i>	-	2,480
<b>Total special appropriations applied</b>	<u>-</u>	<u>2,480</u>

The *Public Governance, Performance and Accountability (Finance Minister to Accountable Authorities of Non-Corporate Commonwealth Entities) Delegation 2022* provides the department the delegation to invest relevant money in any authorised investment on behalf of the Commonwealth or to authorise the reinvestment upon maturity of the proceeds of an authorised investment. The delegation is made under section 58 of the *Public Governance, Performance and Accountability Act 2013*.

On 10 October 2023 the department's term deposit was deposited into the department's bank account while considering a decision regarding the long term strategy for the funds.

2023-24 amount applied	Date	\$'000
Term deposit matured	10 October 2023	<u>2,480</u>
<b>Total applied</b>		<u>2,480</u>
2022-23 amount applied	Date	\$'000
Term deposit matured and principal reinvested	10 October 2022	<u>2,480</u>
<b>Total applied</b>		<u>2,480</u>

The department's term deposit of \$2,480,000 matured on 10 October 2023 and the amount was deposited into the department's bank account. The source of the initial deposit was the former Inter-parliamentary Relations Special Account which was subject to a sun-setting provision. The balance of the account was initially invested after the release of a new delegation from the Finance Minister in July 2017. The balance of this account is included in Note 3A and interest earned is recorded on an accrual basis in Note 2B.

## Note 12B Disclosures by agent in relation to special appropriations

	2024 \$'000	2023 \$'000
<b>Note 12B: Disclosures by agent in relation to annual and special appropriations ('recoverable GST exclusive')</b>		
<b>Department of Finance (third party access)</b>		
Total receipts	<b>53,405</b>	53,271
Total payments	<b>53,405</b>	53,271

Throughout the financial year, the department made payments via special appropriations in accordance with third party access agreements with the Department of Finance. The agreement facilitates payments under the following Acts for the purposes described:

*Parliamentary Superannuation Act 2004* - for the purposes necessary to administer the special appropriation in section 18 of the Act.

*Commonwealth of Australia Constitution Act* - for the purposes necessary to administer the special appropriation in section 66 of the Act.

*Parliamentary Business Resources Act 2017* - for the appropriation in section 59 of the Act.

## Note 13 Net cash appropriation arrangements

	2024	2023
	\$'000	\$'000
<b>13: Net cash appropriation arrangements</b>		
<b>Total comprehensive income/(loss) - as per the Statement of Comprehensive Income</b>	<b>2,009</b>	1,281
Plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) <sup>1</sup>	<b>336</b>	369
Plus: depreciation right-of-use assets <sup>2</sup>	<b>15</b>	15
Less: principal repayments - leased assets <sup>2</sup>	<b>15</b>	15
<b>Net Cash Operating Surplus/ (Deficit)</b>	<b>2,345</b>	1,650

1. From 2010-11, the Government introduced net cash appropriation arrangements where revenue appropriations for depreciation/amortisation expenses of non-corporate Commonwealth entities were replaced with a separate capital budget provided through equity appropriations. Capital budgets are to be appropriated in the period when cash payment for capital expenditure is required.

2. The inclusion of depreciation/amortisation expenses relating to ROU leased assets and the lease liability principal repayment amount reflects the impact of AASB 16 Leases, which does not directly reflect a change in appropriation arrangements. No right-of-use assets or lease principal repayments are excluded from this calculation.

No depreciation/amortisation amounts are excluded from this calculation.

## Managing uncertainties

This section analyses how the Department of the House of Representatives manages financial risks within its operating environment.

The department does not have any significant quantifiable or unquantifiable contingent assets or liabilities.

### Unquantifiable or remote contingent liabilities/assets

In the normal course of business, the department has a number of items that are either unquantifiable or are not considered probable. At the date of this report, the department does not consider the outcome of any such matters is likely to have a significant effect on its operations or financial position.

#### **Accounting policy**

Contingent liabilities and contingent assets are not recognised in the statement of financial position but are reported in the disclosure notes. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

## Note 14 Financial instruments

	2024 \$'000	2023 \$'000
<b>14: Categories of financial instruments</b>		
<b>Financial assets at amortised cost</b>		
Term deposit	-	2,480
Cash and cash equivalents	5,600	2,716
Trade and other receivables	351	214
<b>Total financial assets at amortised cost</b>	<b>5,951</b>	<b>5,410</b>
<b>Total financial assets</b>	<b>5,951</b>	<b>5,410</b>
<b>Financial liabilities</b>		
<b>Financial liabilities measured at amortised cost</b>		
Suppliers	797	516
Other payables	9	8
<b>Total financial liabilities measured at amortised cost</b>	<b>806</b>	<b>524</b>
<b>Total financial liabilities</b>	<b>806</b>	<b>524</b>



## **Accounting policy**

### **Financial assets**

In accordance with AASB 9 *Financial Instruments*, the department classifies its financial assets in the following categories:

- a) financial assets at fair value through profit or loss
- b) financial assets at fair value through other comprehensive income
- c) financial assets measured at amortised cost.

The classification depends on both the department's business model for managing the financial assets and contractual cash flow characteristics at the time of initial recognition. Financial assets are recognised when the department becomes a party to the contract and, as a consequence, has a legal right to receive or a legal obligation to pay cash and derecognised when the contractual rights to the cash flows from the financial asset expire or are transferred upon trade date.

Comparatives have not been restated on initial application.

### **Financial assets at amortised cost**

Financial assets included in this category need to meet two criteria:

1. the financial asset is held in order to collect the contractual cash flows, and
2. the cash flows are solely payments of principal and interest (SPPI) on the principal outstanding amount.

Amortised cost is determined using the effective interest method.

### **Effective interest method**

Income is recognised on an effective interest rate basis for financial assets that are recognised at amortised cost.

### **Impairment of financial assets**

Financial assets are assessed for impairment at the end of each reporting period based on expected credit losses, using the general approach which measures the loss allowance based on an amount equal to lifetime expected credit losses where risk has significantly increased, or an amount equal to 12-month expected credit losses if risk has not increased.

The simplified approach for trade, contract and lease receivables is used. This approach always measures the loss allowance as the amount equal to the lifetime expected credit losses.

A write-off constitutes a derecognition event where the write-off directly reduces the gross carrying amount of the financial asset.

### **Financial liabilities at amortised cost**

Supplier and other payables are recognised at amortised cost and consist of trade creditors, accruals and unearned income. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

## Note 15 Fair value

	2024	2023
	\$'000	\$'000
<b>15: Fair value measurements at the end of the reporting period</b>		
<b>Non-financial assets<sup>1</sup></b>		
Property, plant and equipment <sup>2</sup>	2,367	2,811
Heritage and cultural <sup>2</sup>	595	570

1. The department's assets are held for operational purposes and not held for the purposes of deriving profit. The current use of all non-financial assets is considered their highest and best use.

2. The department did not measure non-financial assets at fair value on a non-recurring basis as at 30 June 2024.

### **Accounting policy**

The department conducts an asset materiality review at least once every 12 months with a full revaluation assessment undertaken once every three years. If a particular asset class experiences significant and volatile changes in fair value (i.e. where indicators suggest that the value of the class has changed materially since the previous reporting period), that class is subject to specific valuation in the reporting period, where practicable, regardless of the timing of the last specific valuation.

## Other information

### Note 16 Aggregate assets and liabilities

	2024	2023
	\$'000	\$'000
<b>16: Aggregate assets and liabilities</b>		
<b>Assets expected to be recovered in:</b>		
<b>No more than 12 months</b>		
Cash and cash equivalents	5,600	2,716
Trade and other receivables	25,528	23,866
Other Investments	-	2,480
Inventories	10	10
Other non-financial assets	192	187
<b>Total no more than 12 months</b>	<b>31,330</b>	<b>29,259</b>
<b>More than 12 months</b>		
Heritage and cultural	595	570
Property, plant and equipment	2,367	2,811
Computer software	67	90
<b>Total more than 12 months</b>	<b>3,029</b>	<b>3,471</b>
<b>Total assets</b>	<b>34,359</b>	<b>32,730</b>
<b>Liabilities expected to be settled in:</b>		
<b>No more than 12 months</b>		
Suppliers	797	516
Other payables	637	561
Leases	13	16
Employee provisions	1,773	1,758
<b>Total no more than 12 months</b>	<b>3,220</b>	<b>2,851</b>
<b>More than 12 months</b>		
Leases	27	8
Employee provisions	4,540	4,580
<b>Total more than 12 months</b>	<b>4,567</b>	<b>4,588</b>
<b>Total liabilities</b>	<b>7,787</b>	<b>7,439</b>

## Major budget variances

This section provides explanations for major budget variances between the department's budget and actual results for the year ended 30 June 2024.

### Note 17 Departmental budget variances commentary

Explanations of major variances	Affected statements and line items
<b>Asset Management</b>	
<p>The department identified excess furniture for disposal that was no longer required and was not economical to store.</p> <p>Due to the move to IT cloud-based services for software licences, intangible assets purchased are lower than expected.</p>	<p>Statement of comprehensive income:</p> <ul style="list-style-type: none"> <li>» depreciation</li> <li>» write-down and impairment of assets</li> <li>» losses from asset sales</li> </ul> <p>Statement of financial position:</p> <ul style="list-style-type: none"> <li>» non-financial assets</li> </ul> <p>Statement of cash flow:</p> <ul style="list-style-type: none"> <li>» purchase of property, plant and equipment</li> </ul>
<b>Interest</b>	
<p>The Inter-Parliamentary Relations bank interest revenue was higher than budget as interest rates increased above forecast estimates.</p>	<p>Statement of comprehensive income:</p> <ul style="list-style-type: none"> <li>» interest</li> </ul> <p>Statement of financial position</p> <ul style="list-style-type: none"> <li>» financial assets</li> </ul>
<b>Cash and cash equivalents and Other investments</b>	
<p>The department's term deposit matured and was not reinvested. The balance will remain in the department's bank account while considering a long term strategy for the funds.</p>	<p>Statement of comprehensive income:</p> <ul style="list-style-type: none"> <li>» interest</li> </ul> <p>Statement of financial position</p> <ul style="list-style-type: none"> <li>» cash and cash equivalents</li> <li>» other investments</li> </ul>
<b>Employment matters</b>	
<p>Vacancies were open for extended periods due to difficulty recruiting and filling roles. Average staffing levels were 160 compared to the budget of 168.</p>	<p>Statement of comprehensive income:</p> <ul style="list-style-type: none"> <li>» employee benefits</li> </ul> <p>Statement of financial position:</p> <ul style="list-style-type: none"> <li>» employee provisions</li> </ul>

## Note 18 Administered budget variances commentary

Explanations of major variances	Affected statements and line items
<b>Hospitality Services</b>	
School visits to Parliament House continue. Variances are due to the schools booking officer position being vacant for a period.	Statement of comprehensive income: <ul style="list-style-type: none"> <li>» provision of hospitality services</li> </ul> Cash flow statement: <ul style="list-style-type: none"> <li>» cash used—suppliers</li> </ul>

