

Auditor-General's Department

Financial report
for the year ended
30 June 2020



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INDEPENDENT AUDITOR'S REPORT
TO THE TREASURER OF THE SOUTH AUSTRALIAN GOVERNMENT FOR THE AUDITOR-GENERAL'S DEPARTMENT

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Auditor-General's Department (the Department), which comprises the statement of financial position and statement of administered financial position as at 30 June 2020, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows, the statement of administered comprehensive income and the statement of administered cash flow for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the Certification of the Financial Report.

In our opinion the accompanying financial report of the Auditor-General's Department, is in accordance with the *Public Finance and Audit Act 1987*, including:

- (i) the financial report presents fairly, in all material respects, the financial position of the Department as at 30 June 2020, and of its financial performance and cash flows for the year then ended in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and the Australian Accounting Standards - Reduced Disclosure Requirements
- (ii) the financial report also complies with the accounts and records of the Department

We have obtained all of the information and explanations required from the Department.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Department in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matter

The financial report of the Department, for the year ended 30 June 2019 was audited by another auditor who expressed an unmodified opinion on that report on 12 September 2019.



Auditor General's responsibility for the financial report

The Auditor General is responsible for the preparation of the financial report that gives a true and fair view in accordance with the Treasurer's Instructions promulgated under the *Public Finance and Audit Act 1987* and the Australian Accounting Standards - Reduced Disclosure Requirements and for such internal control as the Auditor- General determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Auditor-General is responsible for assessing the Department's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the 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 this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

A handwritten version of the BDO logo in blue ink, with the letters 'BDO' in a cursive, stylized font.

BDO Audit (SA) Pty Ltd

A handwritten signature in blue ink, appearing to read 'Andrew Tickle', written over a faint, illegible background.

Andrew Tickle
Director

Adelaide, 10 September 2020

Certification of the Financial Report

We certify that the:

- financial statements:
 - are in accordance with the accounts and records of the Department; and
 - comply with relevant Treasurer's Instructions; and
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the Department at the end of the financial year and the result of its operations and cash flows for the financial year.
- internal controls employed by the Department over its financial reporting and its preparation of the financial statements have been effective throughout the financial year.



Andrew Richardson
Auditor-General

10 September 2020



Megan Stint
Manager, Finance

10 September 2020

Auditor-General's Department

Statement of Comprehensive Income for the year ended 30 June 2020

		2020	2019
	Note	\$'000	\$'000
Expenses:			
Employee expenses	2	14 000	13 657
Supplies and services:			
Contractors		1 394	1 603
Office accommodation and service costs	12	721	707
Consultancies		380	279
Other supplies and services	5	1 074	1 137
		<u>3 569</u>	<u>3 726</u>
Depreciation and amortisation		252	209
Total expenses		<u>17 821</u>	<u>17 592</u>
Income:			
Appropriation and contingency provision grant	6	18 161	17 618
Services received free of charge	7	63	73
Other income		1	1
Total income		<u>18 225</u>	<u>17 692</u>
Net result		<u>404</u>	<u>100</u>
Total comprehensive result		<u>404</u>	<u>100</u>

Net result and total comprehensive result are attributable to the SA Government as owner

**Statement of Financial Position
as at 30 June 2020**

	Note	2020 \$'000	2019 \$'000
Current assets:			
Cash and cash equivalents	8	7 307	6 585
Receivables	9	124	145
Total current assets		<u>7 431</u>	<u>6 730</u>
Non-current assets:			
Computing and office facilities	10	332	314
Right of use plant & equipment	10	50	-
Intangible assets	10	6	10
Total non-current assets		<u>388</u>	<u>324</u>
Total assets		<u>7 819</u>	<u>7 054</u>
Current liabilities:			
Payables	11	491	489
Lease liabilities		28	-
Employee benefits	3	2 062	1 753
Provision for workers compensation	4	20	20
Total current liabilities		<u>2 601</u>	<u>2 262</u>
Non-current liabilities:			
Payables	11	392	395
Lease liabilities		22	-
Employee benefits	3	3 940	3 947
Provision for workers compensation	4	41	31
Total non-current liabilities		<u>4 395</u>	<u>4 373</u>
Total liabilities		<u>6 996</u>	<u>6 635</u>
Net assets		<u>823</u>	<u>419</u>
Equity:			
Retained earnings		823	419
Total equity		<u>823</u>	<u>419</u>

Total equity is attributable to the SA Government as owner

Commitments

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**Statement of Changes in Equity
for the year ended 30 June 2020**

	Retained earnings \$'000	Total \$'000
Balance at 30 June 2018	319	319
Total comprehensive result for the year 2018-19	100	100
Balance at 30 June 2019	419	419
Total comprehensive result for the year 2019-20	404	404
Balance at 30 June 2020	823	823

All changes in equity are attributable to the SA Government as owner

**Statement of Cash Flows
for the year ended 30 June 2020**

	2020 Inflows (Outflows) \$'000	2019 Inflows (Outflows) \$'000
Cash flows from operating activities:		
Cash outflows:		
Employee expenses	(13 629)	(12 780)
Supplies and services	(3 900)	(3 932)
Payments for Paid Parental Leave Scheme	(74)	(38)
Cash inflows:		
Other income	1	1
Goods and services tax refunds from Australian Taxation Office	372	375
Receipts for Paid Parental Leave Scheme	58	52
Appropriations and contingency provision grant	18 161	17 618
Net cash provided by (used in) operating activities	989	1 296
Cash flows from investing activities:		
Cash outflows:		
Purchase of computing and office facilities	(230)	(199)
Purchase of intangible assets	-	(10)
Net cash provided by (used in) investing activities	(230)	(209)
Cash flows from financing activities:		
Cash outflows:		
Repayment of leases	(36)	-
Repayment of borrowings	(1)	-
Net cash provided by (used in) financing activities	(37)	-
Net increase (decrease) in cash and cash equivalents	722	1 087
Cash and cash equivalents at 1 July	6 585	5 498
Cash and cash equivalents at 30 June	7 307	6 585

Notes to and forming part of the financial statements

1. Objectives of the Auditor-General's Department (the Department)

The Department is an administrative unit of the public service established under the *Public Finance and Audit Act 1987* (PFAA). It is a wholly owned and controlled entity of the Crown. Accordingly, all government-related entities are related parties of the Department.

The Department's main statutory responsibilities are to audit and examine the activities of State and Local Government agencies and to report the results to Parliament as required by the PFAA.

Controlled

The Department's sole activity is the provision of auditing services covering the various audit and examination responsibilities prescribed under the PFAA. Within this activity class there are two sub-activities:

Prescribed audits

Includes all audit and examination work for State and Local Government agencies initiated and undertaken by the Auditor-General under the PFAA. During the year the Department spent \$17.6 million (\$17.5 million) on this activity. The main component of work relates to the annual statutory audit of State public sector agencies.

Special investigations

Under the PFAA, the Parliament, Treasurer, a Minister or the Independent Commissioner Against Corruption can require the Auditor-General to undertake certain examinations and report these to Parliament. In 2019-20 the Department spent \$189 000 (\$77 000) on special investigations.

Administered

We also administer certain activities on behalf of the SA Government but do not control the related income, expenses, assets or liabilities. These comprise the following two activities:

Receiving and passing on auditing fees

We charge fees for our audits as permitted by section 39 of the PFAA, but do not retain these fees. We transfer audit fees, less GST, into the SA Government's Consolidated Account as they are received.

Administering special acts

Section 24(4) of the PFAA provides that the salary and allowances of the Auditor-General, as determined by the Governor, will be paid from the SA Government's Consolidated Account. The Auditor-General's remuneration, and recoveries from the Consolidated Account for it, are reported as administered items.

2. Employee expenses	2020	2019
Employee benefits:	\$'000	\$'000
Salaries	10 874	10 132
Annual leave	1 037	933
Long service leave	81	696
Skills and experience retention leave	63	50
Total employee benefits	12 055	11 811
Employee on-costs:		
Superannuation	1 251	1 184
Payroll tax	679	657
Total employee on-costs	1 930	1 841
Workers compensation	15	5
Total employee expenses	14 000	13 657

2.1 <i>Remuneration of employees</i>	Executive		Staff	
	2020 Number	2019 Number	2020 Number	2019 Number
The number of employees whose normal remuneration is equal to or greater than the base executive remuneration level during the year are grouped within the following bands:				
\$151 001 - \$154 000	n/a	n/a	n/a	n/a
\$154 001 - \$174 000	-	-	1	1
\$174 001 - \$194 000	-	2	-	-
\$194 001 - \$214 000	4	2	-	-
\$214 001 - \$234 000	-	-	-	-
\$234 001 - \$254 000	1	1	-	-
\$254 001 - \$274 000	1	1	-	-
\$394 001 - \$414 000	1	1	-	-
Total	7	7	1	1

The table includes all employees whose normal remuneration is equal to or greater than the base executive remuneration level. Total remuneration received or receivable by these employees was \$1.89 million (\$1.82 million).

The employee remuneration figures detailed above include employee remuneration recorded in both the Department's financial statements and in its administered financial statements.

2.2 *Key management personnel*

The key management personnel of the Department are the Auditor-General, the Deputy Auditor-General and the five Assistant Auditors-General.

Total compensation for the Department's key management personnel was \$1.73 million (\$1.67 million). This includes compensation recorded in both the Department's financial statements and in the administered financial statements.

3. Employee benefits liability	2020	2019
Current:	\$'000	\$'000
Salaries	310	209
Annual leave	1 411	1 217
Long service leave	265	252
Skills and experience retention leave	76	75
Total current	2 062	1 753
Non-current:		
Long service leave	3 940	3 947
Total non-current	3 940	3 947
Total employee benefits	6 002	5 700

Salaries

Liabilities for unpaid salaries for service prior to the reporting date are measured at current pay rates.

Annual leave and skills and experience retention leave

The annual leave liability and the skills and experience retention leave liability are expected to be payable within 12 months and are measured at the undiscounted amount expected to be paid. The salary inflation rate decreased to 2% in 2020.

Sick leave

No liability is recognised, as all sick leave is non-vesting and the average sick leave taken is estimated to be less than the annual entitlement for sick leave.

Long service leave

AASB 119 *Employee Benefits* contains the calculation methodology for long service leave liability. An actuarial assessment of long service leave liability has been undertaken by the Department of Treasury and Finance. The estimated liability for long service leave is based on actuarial assumptions over expected future salary and wage levels, experience of employee departures and periods of service. These assumptions are based on employee data for SA Government entities. Expected future payments are discounted using government bonds rates with durations that align with estimated future cash flows.

AASB 119 requires the use of the yield on long-term Commonwealth Government bonds as the discount rate in the measurement of the long service leave liability. The yield on long-term Commonwealth Government bonds decreased to 0.75% at 30 June 2020. The actuarial assessment by the Department of Treasury and Finance decreased the salary inflation rate from 4% to 2.5% for long service leave.

The net financial effect of the changes to actuarial assumptions in the current financial year is a decrease in the long service liability of \$308 000 and employee benefit expense of \$308 000. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of assumptions – a key assumption is the long-term discount rate.

The long service leave expected to be taken in the 12 months to 30 June 2021 (current long service leave), has been estimated by adding the estimated termination payments in this period to the estimated long service leave to be taken by ongoing employees in the 12 months (based on previous years' experience). The basis of calculation is similar to that used in previous years.

4. Provision for workers compensation	2020	2019
Current:	\$'000	\$'000
Provision for workers compensation	20	20
Total current	<u>20</u>	<u>20</u>
Non-current:		
Provision for workers compensation	41	31
Total non-current	<u>41</u>	<u>31</u>
Total provision	<u>61</u>	<u>51</u>
Carrying amount at 1 July	51	49
Increase (Decrease) in provision	10	2
Carrying amount at 30 June	<u>61</u>	<u>51</u>

The Department is responsible for the payment of workers compensation claims. The provision is for the estimated cost of ongoing payments to employees as required under current legislation. The workers compensation provision is an actuarial estimate of the outstanding liability at 30 June 2020 provided by a consulting actuary engaged through the Office of the Commissioner for Public Sector Employment.

5. Other supplies and services	2020	2019
	\$'000	\$'000
Computing and network processing costs	442	395
Staff recruitment, development and training	197	250
Other expenses	169	168
Motor vehicles	96	142
Shared Services SA charges	64	73
Fringe benefits tax	64	61
Staff travel, accommodation and allowances	42	48
Total other supplies and services	<u>1 074</u>	<u>1 137</u>
6. Appropriation and contingency provision		
Appropriations to the Department in 2019-20 amounted to \$18.154 million (\$17.618 million) and there was a contingency provision grant of \$7000 (\$0).		
7. Resources received free of charge		
Services received free of charge – Shared Services SA	63	73
Total resources received free of charge	<u>63</u>	<u>73</u>

The Department is only charged for non-standard services received.

8.	Cash and cash equivalents	2020	2019
	Deposits with the Treasurer:	\$'000	\$'000
	Auditor-General's Department Operating Account	4 858	4 343
	Accrual Appropriation Excess Funds	2 449	2 242
	Total cash and cash equivalents	7 307	6 585
9.	Receivables		
	Current:		
	Goods and services tax	124	140
	Other	-	5
	Total current	124	145

Assets that are sold, consumed or realised as part of the normal operating cycle have been classified as current.

10.	Non-current assets	2020	2019
	10.1 Classes of assets	\$'000	\$'000
	Computing and office equipment – at cost	870	862
	Accumulated depreciation	778	(703)
		92	159
	Laptop computer equipment – at cost	651	430
	Accumulated depreciation	411	(275)
		240	155
	Right of use plant and equipment	79	-
	Accumulated depreciation	29	-
		50	-
	Leasehold improvements – at cost	786	786
	Accumulated depreciation	786	786
		-	-
	Intangible assets – Computer software – at cost	520	520
	Accumulated amortisation	514	(510)
		6	10
		388	324

10.2 Reconciliation of carrying amount	Carrying amount			Depreciation/ Amortisation	Carrying amount
	01.07.19	Additions	Disposals	\$'000	30.06.20
	\$'000	\$'000	\$'000	\$'000	\$'000
Computing and office equipment	159	9	-	76	92
Laptop computer equipment	155	221	-	136	240
Right of use plant and equipment	-	*87	1	36	50
Leasehold improvements	-	-	-	-	-
Computer software	10	-	-	4	6
Total computing and office facilities	324	317	1	252	388

*Includes \$47,000 for existing leases at 30 June 2019 recognised as Right of use assets on initial adoption of AASB 16 Leases.

Computing and office facilities are held at fair value as required by the Accounting Policy Statements. We use cost less accumulated depreciation to determine fair value. Intangible assets are held at cost less accumulated amortisation. We only capitalise items greater than \$2000. There are no indications of impairment of our assets.

We depreciate/amortise all assets over three years except laptops which we depreciate over two years. Depreciation and amortisation is on a straight-line basis. All computing and office facilities are classified as level 3 as a key input is management's assessment of the useful life and condition.

The department has motor vehicle leases with the South Australian Government Financing Authority (SAFA), through their agent LeasePlan Australia. Motor vehicle leases are non-cancellable, with rental payments monthly in arrears. Lease terms are three years (60 000 km). The lease rate is determined according to the type of vehicle being leased and the number of months of the lease period and are reviewed annually. No contingent rental provision exist with the lease agreements and no options exist to renew the leases at the end of their term.

11. Payables		2020	2019
		\$'000	\$'000
	Current:		
	Employee on-costs	381	324
	Creditors	60	150
	Accrued expenses	50	(1)
	Paid Parental Leave Scheme payable	-	16
	Total current	491	489
	Non-current:		
	Employee on-costs	392	395
	Total non-current	392	395
	Total payables	883	884

Employment on-costs

Include payroll tax and superannuation contributions. Superannuation contributions are paid to the South Australian Superannuation Board. The Department does not have any liability for payments to beneficiaries as these have been assumed by the respective superannuation schemes. The superannuation liabilities reported reflect amounts to be paid to the South Australian Superannuation Board.

Other payables

Payables are normally settled within 30 days from the date of the invoice or date the invoice is first received. All payables are non-interest bearing. The carrying amount of payables approximates fair value.

12. Commitments
Expenditure Commitments

Office accommodation

The department has accommodation services provided by the Department of Planning, Transport and Infrastructure (DPTI) under Memorandum of Administrative Arrangement (MoAA) issued in accordance with government-wide accommodation policies. The tenancy term expired on 30 June 2020, but in accordance with the agreement the arrangement is to continue on a month to month basis.

In 2018-19 the department had an operating lease commitment of \$580 000 for office accommodation and \$45 000 for fleet vehicles.

	2020	2019
	\$'000	\$'000
<i>Other contractual commitments</i>		
At the reporting date the Department had the following obligations under non-cancellable contracts for audit services (these obligations have not been recognised as liabilities):		
Not later than one year	1 344	930
Later than one year but not later than five years	1 210	336
Total contractual commitments as lessee	2 554	1 266

13. Significant accounting policies

(a) *Basis of preparation*

The financial statements are general purpose financial statements, prepared in line with applicable Australian Accounting Standards – Reduced Disclosure Requirements, and Treasurer’s Instructions (Accounting Policy Statements) issued under the PFAA. The Accounting Policy Statements require certain disclosures in addition to Australian Accounting Standards.

We have not early-adopted any Australian Accounting Standards or Australian interpretations issued by the Australian Accounting Standards Board.

The Department is a not-for-profit entity for financial reporting purposes.

The historical cost convention is used, unless otherwise stated. This means that assets are recorded at their initial cost and liabilities are valued at the amount initially received in exchange for the obligation.

The administered financial statements have been prepared applying the same accounting policies as for items controlled by the Auditor-General’s Department.

(b) *Taxation*

The Department is liable for payroll tax, fringe benefits tax and goods and services tax (GST) but not income tax. Income, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office it is recognised as part of the cost of acquisition of an asset or as part of an item of expense
- receivables and payables which are stated with the amount of GST included.

Operating cash flows in the Statement of Cash Flows include GST. The GST on investing and financing cash flows are included as operating cash flows.

(c) *Appropriation and Contingency Provision*

We are funded by Parliamentary appropriations, paid into a special deposit account titled 'Auditor-General's Department Operating Account'. We are also appropriated for some expenses that will not require a cash payment, such as depreciation. Some appropriations are deposited into a special deposit account at the Department of Treasury and Finance titled 'Accrual Appropriation Excess Funds'. Although we control this money, its use must be separately approved by the Treasurer. We do not earn interest on either of these special deposit accounts.

The appropriation for special acts reported in the administered financial statements relates to recoveries from the SA Government for the Auditor-General's salary.

Other significant accounting policies are described under related notes.

14. Changes in accounting policy

AASB 16 Leases

Applying AASB16 *Leases* results in leases previously classified as operating leases having right-of-use assets and related lease liabilities being recognised in the Statement of Financial Position. Under the former standard AASB117 *Leases*, operating lease payments were recognised as an expense under supplies and services. AASB 16 replaces this with depreciation expenses that represent the use of the right-of-use asset and borrowing costs that represent the cost associated with financing the right-of-use asset.

The department has accommodation services provided by the Department of Planning, Transport and Infrastructure (DPTI) under Memorandum of Administrative Arrangement (MoAA) issued in line with government-wide accommodation policies.

The MoAA does not meet the definition of a lease set out either in AASB 16 or in the former standard AASB 117 *Leases*. In 2018-19 the department disclosed office accommodation as an operating lease commitment. This is now disclosed as an expenditure commitment, refer Note 12 – Commitments.

For fleet vehicles, a right-of-use asset and lease liability has been recognised on the balance sheet on the implementation of AASB 16 and leased vehicles will no longer be disclosed as an operating lease commitment.

In 2018-19 an operating lease commitment of \$625 000 was disclosed in note 12 for office accommodation (\$580 000) and fleet vehicles (\$45 000).

Presentation of the Financial Statements

The Treasurer's Instructions (Accounting Policy Statements) have removed the previous requirement for financial statements to be prepared using the net cost of services format. The net cost of services is the total cost of services less any revenue retained by public authorities involved in the provision of services but does not include items classified as revenues from and payments to the South Australian Government.

Presentation of the Statement of Comprehensive Income on an 'income and expense' basis allows information to be presented in such a way that eliminates potential confusion as to the source of funding for the department.

15. Financial instruments

	Carrying amount	
	2020	2019
	\$'000	\$'000
Financial assets		
Cash and cash equivalents	7 307	6 585
Receivables*	-	5
Financial liabilities		
Payables	109	149

* Receivables amounts disclosed exclude amounts relating to statutory receivables where rights or obligations have their source in legislation such as the goods and services tax.

16. Budgetary reporting and explanations of major variances

The following provides details of the 2019-20 original budget, actual amounts and the associated variances. No explanations are provided as the variances do not exceed the greater of 10% of the original budgeted amount and 5% of original budgeted total expenses.

Statement of Comprehensive Income	Original budget \$'000	Actual \$'000	Variance \$'000
Expenses:			
Employee expenses	13 853	14 000	147
Supplies and services:			
Contractors	1 805	1 394	(411)
Office accommodation and service costs	787	721	(66)
Consultancies	152	380	228
Other supplies and services	1 195	1 074	(121)
Depreciation and amortisation	225	252	27
Total expenses	18 017	17 821	(196)
Income:			
Appropriations and contingency provision grant	18 018	18 161	143
Services received free of charge	-	63	63
Other income	1	1	-
Total income	18 019	18 225	206
Net result and total comprehensive result	2	404	402
Investing expenditure summary:			
Minor capital works and equipment	233	230	(3)
Total annual programs	233	230	(3)

The budget process is not subject to audit. Budget information refers to the amounts presented to Parliament in the original budgeted financial statements in respect of the reporting period (2019-20 Budget Paper 4) and the amounts have not been adjusted to reflect revised budgets. These original budgeted amounts have been presented and classified on a basis that is consistent with line items in the financial statements.

**Statement of Administered Comprehensive Income
for the year ended 30 June 2020**

	2020	2019
	\$'000	\$'000
Expenses:		
Employee expenses	360	343
Audit fees paid/payable to Consolidated Account	15 726	15 170
Total expenses	<u>16 086</u>	<u>15 513</u>
Income:		
Fees for audit services	15 726	15 170
Appropriation – Special Acts	335	331
Total income	<u>16 061</u>	<u>15 501</u>
Net result	<u>(25)</u>	<u>(12)</u>
Total comprehensive result	<u>(25)</u>	<u>(12)</u>

**Statement of Administered Financial Position
as at 30 June 2020**

	Note	2020	2019
		\$'000	\$'000
Current assets:			
Cash and cash equivalents		250	246
Receivables	A1	444	127
Total assets		<u>694</u>	<u>373</u>
Current liabilities:			
Employee benefits		69	55
Audit fees payable to Consolidated Account		403	115
Goods and services tax payable		116	84
Total current liabilities		<u>588</u>	<u>254</u>
Non-current liabilities:			
Employee benefits – long service leave		373	361
Total non-current liabilities		<u>373</u>	<u>361</u>
Total liabilities		<u>961</u>	<u>615</u>
Net assets		<u>(267)</u>	<u>(242)</u>
Equity:			
Retained earnings		(267)	(242)
Total equity		<u>(267)</u>	<u>(242)</u>

**Statement of Administered Cash Flows
for the year ended 30 June 2020**

		2020 Inflows (Outflows) \$'000	2019 Inflows (Outflows) \$'000
Cash flows from operating activities:	Note		
Cash outflows:			
Employee expenses		(335)	(332)
Amounts paid to Consolidated Account		(15 438)	(15 364)
Goods and services tax paid to Australian Taxation Office		(1 540)	(1 526)
Cash inflows:			
Fees for audit services	A1	16 982	16 900
Cash flows from SA Government:			
Appropriations – Special Acts		335	331
Net cash provided by (used in) operating activities		<u>4</u>	<u>9</u>
Net increase (decrease) in cash and cash equivalents		<u>4</u>	<u>9</u>
Cash and cash equivalents at 1 July		<u>246</u>	<u>237</u>
Cash and cash equivalents at 30 June		<u><u>250</u></u>	<u><u>246</u></u>

Notes to and forming part of the administered financial statements

A1. Receivables	2020 \$'000	2019 \$'000
Fees outstanding at 1 July	127	340
Billings	17 299	16 687
	<u>17 426</u>	<u>17 027</u>
Receipts	16 982	16 900
Fees outstanding at 30 June	444	127

In addition, at 30 June, the value of audit work in progress was \$8.49 million (\$7.6 million). We are of the opinion that this amount is recoverable.

A2. Budgetary reporting and explanations of major variances

The following provides details of the 2019-20 original budget, actual amounts and the associated variances. No explanations are provided as the variances do not exceed the greater of 10% of the original budgeted amount and 5% of original budgeted total expenses.

Statement of Comprehensive Income	Original Budget \$'000	Actual \$'000	Variance \$'000
Expenses:			
Employee expenses	351	360	9
Amounts paid/payable to Consolidated Account	15 838	15 726	(112)
Total expenses	<u>16 189</u>	<u>16 086</u>	<u>(103)</u>
Income:			
Fees for audit services	15 838	15 726	(112)
Appropriation – Special Acts	339	335	(4)
Total income	<u>16 177</u>	<u>16 061</u>	<u>(116)</u>
Net result and total comprehensive result	<u>(12)</u>	<u>(25)</u>	<u>(13)</u>

The budget process is not subject to audit. Budget information refers to the amounts presented to Parliament in the original budgeted financial statements in respect of the reporting period (2019-20 Budget Paper 4) and the amounts have not been adjusted to reflect revised budgets. These original budgeted amounts have been presented and classified on a basis that is consistent with line items in the financial statements.