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To the Judicial Conduct Commissioner

Opinion

I have audited the financial report of the Judicial Conduct Commissioner for the financial year ended 30 June 2022.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Judicial Conduct Commissioner as at 30 June 2022, its financial performance and its cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards – Simplified Reporting Requirements.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2022
- a Statement of Financial Position as at 30 June 2022
- a Statement of Changes in Equity for the year ended 30 June 2022
- a Statement of Cash Flows for the year ended 30 June 2022
- notes, comprising material accounting policies and other explanatory information
- a Certificate from the Chief Executive and Executive Director, Finance, People and Performance, Attorney-General's Department

Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of the Judicial Conduct Commissioner. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* have been met.

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

Responsibilities of the Judicial Conduct Commissioner for the financial report

The Judicial Conduct Commissioner is responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and the Australian Accounting Standards – Simplified Reporting Requirements, and for such internal control as management determines 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 Judicial Conduct Commissioner is responsible for assessing the entity's ability to continue as a going concern, taking into account any policy or funding decisions the government has made which affect the continued existence of the entity. The Judicial Conduct Commissioner 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 report

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987*, I have audited the financial report of the Judicial Conduct Commissioner for the financial year ended 30 June 2022.

My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian 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 report, 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 Judicial Conduct Commissioner's internal control

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Judicial Conduct Commissioner
- conclude on the appropriateness of the Judicial Conduct Commissioner'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 report or, if such disclosures are inadequate, to modify the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

My report refers only to the financial report described above and does not provide assurance over the integrity of electronic publication by the entity on any website nor does it provide an opinion on other information which may have been hyperlinked to/from the report.

I communicate with the Judicial Conduct Commissioner about, 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 the audit.



Daniel O'Donohue

Assistant Auditor-General (Financial Audit)

30 September 2022

Judicial Conduct Commissioner

Financial Statements

For the year ended 30 June 2022

Judicial Conduct Commissioner
Statement of Certification
For the year ended 30 June 2022

I certify that the

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



Caroline Meador
Chief Executive
29 September 2022



Andrew Swanson
Executive Director, Finance People and Performance
29 September 2022

Judicial Conduct Commissioner
Statement of Comprehensive Income
for the year ended 30 June 2022

	Note	2022 \$'000	2021 \$'000
Income			
Recoveries	2.1	233	5
Total income		233	5
Expenses			
Employee benefits expenses	3.2	199	-
Supplies and services	4.1	23	-
Other expenses	4.2	11	5
Total expenses		233	5
Net result		-	-
Total comprehensive result		-	-

The accompanying notes form part of these financial statements. The net result and total comprehensive result are attributable to the SA Government as owner.

Judicial Conduct Commissioner
Statement of Financial Position
as at 30 June 2022

	Note	2022 \$'000	2021 \$'000
Current assets			
Cash and cash equivalents	5.1	7	-
Receivables	5.2	1	-
Total current assets		<u>8</u>	<u>-</u>
Total assets		<u>8</u>	<u>-</u>
Current liabilities			
Employee benefits liability	3.3	1	-
Payables	6.1	11	5
Total current liabilities		<u>12</u>	<u>5</u>
Non-current liabilities			
Employee benefits liability	3.3	1	-
Total non-current liabilities		<u>1</u>	<u>-</u>
Total liabilities		<u>13</u>	<u>5</u>
Net assets		<u>(5)</u>	<u>(5)</u>
Equity			
Retained earnings		(5)	(5)
Total equity		<u>(5)</u>	<u>(5)</u>

The accompanying notes form part of these financial statements. The total equity is attributable to the SA Government as owner.

**Judicial Conduct Commissioner
Statement of Changes in Equity**
for the year ended 30 June 2022

	Retained earnings \$'000	Total equity \$'000
Balance at 1 July 2020	(5)	(5)
Total comprehensive result for 2020-21	-	-
Balance at 30 June 2021	(5)	(5)
Net result for 2021-22	-	-
Total comprehensive result for 2021-22	-	-
Balance at 30 June 2022	(5)	(5)

The accompanying notes form part of these financial statements. All changes in equity are attributable to the SA Government as owner.

Judicial Conduct Commissioner
Statement of Cash Flows
for the year ended 30 June 2022

	2022 Inflows (Outflows) \$'000	2021 Inflows (Outflows) \$'000
Cash flows from operating activities		
Cash inflows		
Recoveries	233	5
Cash generated from operations	<u>233</u>	<u>5</u>
Cash outflows		
Employee benefits payments	(197)	-
Payments for supplies and services	(29)	(5)
Cash used in operations	<u>(226)</u>	<u>(5)</u>
Cash and cash equivalents at the end of the reporting period	5.1 <u><u>7</u></u>	<u><u>-</u></u>

The accompanying notes form part of these financial statements.

Judicial Conduct Commissioner

Notes to and forming part of the financial statements

For the year ended 30 June 2022

1. About the Judicial Conduct Commissioner

The Judicial Conduct Commissioner (the Commissioner) is a not-for-profit entity established by the *Judicial Conduct Commissioner Act 2015*.

1.1. Basis of preparation

The financial statements are general purpose financial statements prepared in compliance with:

- section 23 of the *Public Finance and Audit Act 1987*;
- Treasurer's Instructions and Accounting Policy Statement issued by the Treasurer under the *Public Finance and Audit Act 1987*; and
- relevant Australian Accounting Standards applying simplified disclosures.

These are the first financial statements prepared in accordance with Australian Accounting Standards – Simplified Disclosures. In the prior year, the financial statements were prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements. There has been no impact on the recognition and measurement of amounts recognised in the statements of financial position, profit and loss and other comprehensive income and cash flows of the Commissioner as a result of the change in the basis of preparation.

The financial statements are prepared based on a 12 month reporting period and presented in Australian currency. All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars (\$'000). The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

Financial assets and financial liabilities are measured at amortised cost.

Assets and liabilities that are to be sold, consumed or realised as part of the normal operating cycle have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

Significant accounting policies are set out throughout the notes.

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, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable; and

The net amount of the GST receivable/payable to the ATO is not recognised as a receivable/payable in the Statement of Financial Position as the Commissioner is a member of an approved GST group of which the Attorney-General's Department is responsible for the remittance and collection of GST.

1.2. Objectives

The principal function of the Commissioner is to receive and deal with complaints made in accordance with the *Judicial Conduct Commissioner Act 2015* about serving judicial officers in relation to the conduct of those judicial officers. The Commissioner's activity fluctuates depending on the number of complaints received.

1.3. Impact of COVID-19 pandemic on the Commissioner

There has been no material impact on the operations of the Commissioner because of the COVID-19 pandemic.

Judicial Conduct Commissioner
Notes to and forming part of the financial statements
For the year ended 30 June 2022

1.4. Liquidity / funding risk

The continued existence of the office of the Commissioner in its present form is dependent on State Government policy and funding provided by the Attorney-General's Department.

2. Income

2.1. Recoveries

	2022	2021
	\$'000	\$'000
Recoveries	233	5
Total recoveries	233	5

3. Employees Benefits

3.1. Key management personnel

Key management personnel consist solely of the Commissioner who has the responsibility for the receipt and assessment of complaints regarding the conduct of judicial officers in accordance with the *Judicial Conduct Commissioner Act 2015*. The Commissioner is independent and accountable to the South Australian Parliament.

Total remuneration paid to the Commissioner and Acting Commissioner during 2021-22 was \$160 000.

There were no significant transactions between key management personnel and other related parties.

3.2. Employee Benefit Expenses

	2022	2021
	\$'000	\$'000
Salaries and wages	187	-
Employment on-costs - other	6	-
Employment on-costs - superannuation	3	-
Annual leave	2	-
Long service leave	1	-
Total employee benefits expenses	199	-

Judicial Conduct Commissioner
Notes to and forming part of the financial statements
For the year ended 30 June 2022

3.3. Employee Benefits Liability

	2022 \$'000	2021 \$'000
Current		
Annual leave	1	-
Total current employee benefits	<u>1</u>	<u>-</u>
Non-current		
Long service leave	1	-
Total non-current employee benefits	<u>1</u>	<u>-</u>
Total employee benefits liability	<u><u>2</u></u>	<u><u>-</u></u>

Employee benefits accrue as a result of services provided up to the reporting date that remain unpaid. Long-term employee benefits are measured at present value and short-term employee benefits are measured at nominal amounts.

Annual leave and sick leave.

The liability for annual leave is measured as the amount unpaid at the reporting date at remuneration rates current at reporting date.

Salary inflation rate for annual leave is 1.5%.

No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees is estimated to be less than the annual entitlement for sick leave.

Long service leave

The liability for long service leave is measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

AASB 119 *Employee Benefits* contains the calculation methodology for long service leave liability.

The actuarial assessment performed by DTF has provided a basis for the measurement of long service leave and is based on actuarial assumptions on expected future salary and wage levels, experience of employee departures and periods of service. These assumptions are based on employee data over SA Government entities.

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 was 3.5% in 2022.

The actuarial assessment performed by DTF used a salary inflation rate of 2.5% for long service leave liability.

Judicial Conduct Commissioner
Notes to and forming part of the financial statements
For the year ended 30 June 2022

4. Expenses

4.1. Supplies and services

	2022	2021
	\$'000	\$'000
Accommodation	14	-
Other supplies and services	9	-
Total supplies and services	23	-

4.2. Other expenses

	2022	2021
	\$'000	\$'000
Audit fees*	11	5
Total other expenses	11	5

*Audit fees payable to the Auditor-General's Department relating to work performed under the *Public Finance and Audit Act 1987*. No other services were provided by the Auditor-General's Department.

5. Financial assets

5.1. Cash and cash equivalents

	2022	2021
	\$'000	\$'000
Deposits with the Treasurer	7	-
Total cash and cash equivalents	7	-

Cash is measured at nominal amounts.

Special deposit accounts are established under section 8 of the *Public Finance and Audit Act 1987*. Special deposit accounts must be used in accordance with their approved purpose.

The Commissioner does not earn interest on its deposits with the Treasurer.

5.2. Receivables

	2022	2021
	\$'000	\$'000
Current		
Prepayments	1	-
Total current receivables	1	-

Judicial Conduct Commissioner
Notes to and forming part of the financial statements
For the year ended 30 June 2022

6. Liabilities

6.1. Payables

	2022	2021
	\$'000	\$'000
Current		
Accruals	11	4
Creditors	-	1
Total current payables	<u>11</u>	<u>5</u>

Payables and accruals are raised for all amounts owing but unpaid. Sundry payables are normally settled within 30 days from the date the invoice is first received. All payables are non-interest bearing. The carrying amount of payables represents fair value due to their short-term nature.

7. Outlook

7.1. Unrecognised contractual commitments

There are no material commitments as at 30 June 2022.

7.2. Contingent assets and liabilities

The Commissioner is not aware of any contingent assets or liabilities in relation to its activities.

7.3. COVID-19 pandemic outlook

The COVID-19 pandemic is not expected to have a material impact on the operations of the Commissioner in 2022-23.

7.4. Events after the reporting period

There are no known events after balance date that affect these financial statements.