

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF 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 2023, the statement of comprehensive income, the statement of changes in equity and 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 Auditor-General's Department, is in accordance with the Public Finance and Audit 1987, including:

- (i) The financial report presents fairly, in all material respects, the financial position of the Department as at 30 June 2023, 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 - Simplified Disclosures
- (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.

#### 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 - Simplified Disclosures for such internal control as the Auditor-General determines necessary to enable the preparation of the financial report that presents fairly 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](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf)

This description forms part of our auditor's report.

A handwritten signature in blue ink that reads 'BDO'.

BDO Audit Pty Ltd

A handwritten signature in blue ink that reads 'Andrew Tickle'.

Andrew Tickle

Director

Adelaide, 25 August 2023

### Certification of the Financial Statements

We certify that the:

- financial statements of the Auditor-General's Department:
  - are in accordance with the accounts and records of the department;
  - comply with relevant Treasurer's Instructions;
  - 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 Auditor-General's Department for the financial year over its financial reporting and its preparation of the financial statements have been effective.



Andrew Richardson  
**Auditor-General**

25 August 2023



Megan Stint  
**Manager, Finance**

25 August 2023

# Auditor-General's Department

## Statement of Comprehensive Income for the year ended 30 June 2023

	Note	2023 \$000	2022 \$000
<b>Expenses:</b>			
Employee expenses	2	14,398	13,751
Supplies and services:			
Contractors		1,479	1,163
Office accommodation and service costs		835	888
Consultancies		514	469
Other supplies and services	5	1,474	1,445
Return of cash to the consolidated account	6.1	-	3,000
		<u>4,302</u>	<u>6,965</u>
Depreciation and amortisation		91	265
<b>Total expenses</b>		<u>18,791</u>	<u>20,981</u>
<b>Income:</b>			
Appropriation	6.2	18,815	18,680
Services received free of charge	7	86	80
Other income		1	1
<b>Total income</b>		<u>18,902</u>	<u>18,761</u>
<b>Net result</b>		<u>111</u>	<u>(2,220)</u>
<b>Total comprehensive result</b>		<u>111</u>	<u>(2,220)</u>

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

**Statement of Financial Position  
as at 30 June 2023**

	Note	2023 \$000	2022 \$000
<b>Current assets:</b>			
Cash and cash equivalents	8	5,239	5,580
Receivables	9	230	150
<b>Total current assets</b>		<u>5,469</u>	<u>5,730</u>
<b>Non-current assets:</b>			
Computing and office facilities	10	607	86
Right of use plant & equipment	10	2	13
Intangible assets	10	4	8
<b>Total non-current assets</b>		<u>613</u>	<u>107</u>
<b>Total assets</b>		<u>6,082</u>	<u>5,837</u>
<b>Current liabilities:</b>			
Payables	11	661	601
Lease liabilities		2	10
Employee benefits	3	1,994	1,992
Provision for workers compensation	4	30	24
<b>Total current liabilities</b>		<u>2,687</u>	<u>2,627</u>
<b>Non-current liabilities:</b>			
Payables	11	353	369
Lease liabilities		-	2
Employee benefits	3	3,539	3,478
Provision for workers compensation	4	91	60
<b>Total non-current liabilities</b>		<u>3,983</u>	<u>3,909</u>
<b>Total liabilities</b>		<u>6,670</u>	<u>6,536</u>
<b>Net assets</b>		<u>(588)</u>	<u>(699)</u>
<b>Equity:</b>			
Retained earnings		(588)	(699)
<b>Total equity</b>		<u>(588)</u>	<u>(699)</u>
Commitments	12		

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

**Statement of Changes in Equity  
for the year ended 30 June 2023**

	Retained earnings \$000	Total \$000
Balance at 30 June 2021	1,521	1,521
Total comprehensive result for the year 2021-22	(2,220)	(2,220)
Balance at 30 June 2022	(699)	(699)
Total comprehensive result for the year 2022-23	111	111
<b>Balance at 30 June 2023</b>	<b>(588)</b>	<b>(588)</b>

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

**Statement of Cash Flows  
for the year ended 30 June 2023**

	2023 Inflows (Outflows) \$000	2022 Inflows (Outflows) \$000
<b>Cash flows from operating activities:</b>		
Cash outflows:		
Employee expenses	(14,262)	(14,249)
Supplies and services	(4,699)	(4,258)
Return of cash to the consolidated account	-	(3,000)
Payments for Paid Parental Leave Scheme	(79)	(69)
Cash inflows:		
Other income	1	1
Goods and services tax refunds from Australian Taxation Office	408	372
Receipts for Paid Parental Leave Scheme	83	56
Appropriations	18,815	18,680
<b>Net cash provided by (used in) operating activities</b>	<b>267</b>	<b>(2,467)</b>
<b>Cash flows from investing activities:</b>		
Cash outflows:		
Purchase of computing and office facilities	(597)	(32)
<b>Net cash provided by (used in) investing activities</b>	<b>(597)</b>	<b>(32)</b>
<b>Cash flows from financing activities:</b>		
Cash outflows:		
Repayment of principal portion of lease liabilities	(11)	(21)
Repayment of borrowings	-	(1)
<b>Net cash provided by (used in) financing activities</b>	<b>(11)</b>	<b>(22)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(341)</b>	<b>(2,521)</b>
<b>Cash and cash equivalents at 1 July</b>	<b>5,580</b>	<b>8,101</b>
<b>Cash and cash equivalents at 30 June</b>	<b>5,239</b>	<b>5,580</b>

The accompanying notes form part of these financial statements.

## 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 \$18.79 million (\$17.98 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 2022-23 and 2021-22 there were no such requests that resulted in expenditure on this activity.

#### *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	2023	2022
Employee benefits:	\$000	\$000
Salaries	10,931	10,897
Annual leave	1,025	999
Long service leave	212	(215)
Skills and experience retention leave	82	71
Total employee benefits	12,250	11,752
Employee on-costs:		
Superannuation	1,378	1,282
Payroll tax	693	662
Total employee on-costs	2,071	1,944
Workers compensation	51	11
Other employee related expenses	26	44
Total employee expenses	14,398	13,751

2.1 <i>Remuneration of employees</i>	Executive		Staff	
	2023 Number	2022 Number	2023 Number	2022 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:				
\$160,001 - \$180,000	-	-	1	2
\$180,001 - \$200,000	-	1	-	-
\$200,001 - \$220,000	2	3	-	-
\$220,001 - \$240,000	1	1	-	-
\$240,001 - \$260,000	-	1	-	-
\$260,001 - \$280,000	2	1	-	-
\$340,001 - \$360,000	1	-	-	-
\$420,001 - \$440,000	-	1	-	-
\$440,001 - \$460,000	1	-	-	-
Total	7	8	1	2

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 \$2.14 million (\$2.36 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, two Assistant Auditor-General's and three Executive Directors.

Total compensation for the Department's key management personnel was \$1.98 million (\$2.02 million). This includes compensation recorded in both the Department's financial statements and in the administered financial statements.

## 2.3 *Targeted voluntary separation packages*

There were no TVSP's in 2022-23. In 2021-22 one employee received a rejuvenation scheme payment at a cost of \$47,000, met by the department.

3. <b>Employee benefits liability</b>	2023	2022
Current:	\$000	\$000
Salaries	3	8
Annual leave	1,610	1,613
Long service leave	266	262
Skills and experience retention leave	115	109
Total current	1,994	1,992
Non-current:		
Long service leave	3,539	3,478
Total non-current	3,539	3,478
Total employee benefits	5,533	5,470

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

Long-term employee benefits are measured at present value and short-term employee benefits are measured at nominal amounts.

### *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. The expected timing and amount of long service leave payments is determined through whole of government actuarial calculations, which is then applied to the department's employee details.

Key assumptions include whether the characteristics of employee remuneration, terms of service with the public sector, and expectations as to when employees take long service leave, as established by the actuary, are applicable to employees of the department. These assumptions affect the expected amount to be paid that has been factored into the calculation of the liability. The discount rate used in measuring the liability is another key assumption. The discount rate is reflective of long-term Commonwealth Government bonds. The yield on long-term Commonwealth Government bonds increased from 3.50% to 4% at 30 June 2023.

The actuarial assessment by the Department of Treasury and Finance increased the salary inflation rate from 2.5% to 3.5% for long service leave.

An increase in the bond yield reduces the reported long service leave liability, however the overall liability has increased from the prior year due to annual entitlement accruals and enterprise bargaining increases.

The department's historic experience of long service leave and projections such as known approvals are used as the basis to estimate the proportion of the liability expected to be settled in the next 12 months. This amount is the current liability.

<b>4. Provision for workers compensation</b>	2023	2022
	\$000	\$000
Carrying amount at the beginning of the period	84	82
Increase in provision	37	2
Carrying amount at the end of the period	<u>121</u>	<u>84</u>

The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2023 provided by a consulting actuary engaged through the Office of the Commissioner for Public Sector Employment. The provision is for the estimated cost of ongoing payments to employees as required under current legislation.

The department is responsible for the payment of workers compensation claims.

<b>5. Other supplies and services</b>	2023	2022
	\$000	\$000
Computing and network processing costs	932	726
Staff recruitment, development and training	243	336
Other expenses	167	246
Shared Services SA charges	66	59
Motor vehicles	32	50
Audit fees*	17	18
Staff travel, accommodation and allowances	17	10
Total other supplies and services	<u>1,474</u>	<u>1,445</u>

\* The Governor, on recommendation of the Treasurer, in line with the PFAA, appoints the auditor of the Auditor-General's Department.

**6. Payments to/from SA Government**

**6.1 Return of cash to the consolidated account**

In 2021-22 the Department paid \$3 million to the Consolidated Account for the return of surplus cash in line with the principles of the cash alignment policy.

**6.2 Appropriation**

Appropriations to the Department in 2022-23 amounted to \$18.81 million (\$18.68 million).

<b>7. Resources received free of charge</b>	2023	2022
	\$000	\$000
Services received free of charge – Shared Services SA	63	58
Services received free of charge – ICT Digital Government	23	22
Total resources received free of charge	<u>86</u>	<u>80</u>

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

**8. Cash and cash equivalents**

Deposits with the Treasurer:

Auditor-General's Department Operating Account	3,029	3,411
Accrual Appropriation Excess Funds	2,210	2,169
Total cash and cash equivalents	<u>5,239</u>	<u>5,580</u>

<b>9. Receivables</b>	2023	2022
Current:	\$000	\$000
Goods and services tax	217	149
Other	13	1
Total current receivables	<u>230</u>	<u>150</u>

**10. Non-current assets**

**10.1 Classes of assets**

Leasehold improvements – at cost	1,287	864
Accumulated depreciation	778	810
	<u>509</u>	<u>54</u>
Computing and office equipment – at cost	976	874
Accumulated depreciation	878	863
	<u>98</u>	<u>11</u>
Laptop computer equipment – at cost	534	797
Accumulated depreciation	534	776
	<u>-</u>	<u>21</u>
Right of use plant and equipment	15	56
Accumulated depreciation	13	43
	<u>2</u>	<u>13</u>
Intangible assets – Computer software – at cost	534	534
Accumulated amortisation	530	526
	<u>4</u>	<u>8</u>
	<u>613</u>	<u>107</u>

**10.2 Reconciliation of carrying amount**

	Carrying amount 01.07.22	Additions	Disposals	Depreciation/ Amortisation	Carrying amount 30.06.23
	\$000	\$000	\$000	\$000	\$000
Leasehold improvements	54	495	-	40	509
Computing and office equipment	11	102	-	15	98
Laptop computer equipment	21	-	-	21	-
Right of use plant and equipment	13	-	-	11	2
Computer software	8	-	-	4	4
Total non-current assets	<u>107</u>	<u>597</u>	<u>-</u>	<u>91</u>	<u>613</u>

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. The threshold for capitalising items is \$10,000. 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 variable lease payments are provided for in the lease agreements and no options exist to renew the leases at the end of their term. The Department only has one vehicle lease, as during 2022-23 all other leases reached their full lease term.

<b>11. Payables</b>	2023	2022
Current:	\$000	\$000
Contractual payables		
Accrued expenses	84	61
Creditors	58	85
Total contractual payables	<u>142</u>	<u>146</u>
Statutory payables		
Employee on-costs	511	453
Paid Parental Leave Scheme payable	5	2
GST Payable	3	-
Total statutory payables	<u>519</u>	<u>455</u>
Total current payables	<u>661</u>	<u>601</u>

	2023	2022
Non-current:	\$000	\$000
Statutory payables		
Employee on-costs	353	369
Total non-current	<u>353</u>	<u>369</u>
Total payables	<u>1,014</u>	<u>970</u>

**Employment on-costs**

Include payroll tax and superannuation contributions. Superannuation contributions are paid to the South Australian Superannuation Board, and externally managed superannuation schemes. These contributions are treated as an expense when they occur. 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 various superannuation schemes.

As a result of an actuarial assessment performed by the Department of Treasury and Finance, the proportion of long service leave taken as leave has increased to 43% (42%), and the average factor for the calculation of employer superannuation on-costs has increased to 11.1% (10.6%). These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year on employment on-costs and employee benefit expense is immaterial. The impact on future periods is impracticable to estimate.

**Other payables**

Payables and accruals are raised for all amounts owing but unpaid. Sundry 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 due to their short-term nature.

**12. Commitments**

**Contractual commitments**

At the reporting date the Department had the following obligations:	2023	2022
	\$000	\$000
Not later than one year	1,940	1,816
Later than one year but not later than five years	612	1,268
Total contractual commitments as lessee	<u>2,552</u>	<u>3,084</u>

**Office accommodation**

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

The current tenancy term is to 30 June 2024, with three years right of renewal to 30 June 2027.

**Audit services**

Obligations under non-cancellable contracts for audit services. These obligations have not been recognised as liabilities.

**Other expenditure commitments**

Obligations for other services under a contract arrangement, which have not been recognised as liabilities.

**13. Basis of preparation and accounting policies**

**(a) Basis of preparation**

The financial statements are general purpose financial statements, prepared in line with applicable Australian Accounting Standards – simplified disclosures, 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, and the financial statements are prepared based on a 12-month reporting period.

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.

Assets that are sold, consumed or realised as part of the normal 12-month operating cycle have been classified as current.

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.

Cash flows are included in the Statement of Cash Flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities recoverable from the ATO are classified as operating cash flows.

**(c) Appropriation**

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. Salary amounts paid which are yet to be recovered are recorded as appropriation receivable.

Other significant accounting policies are described under related notes.

**14. Financial instruments**

	Carrying amount	
	2023	2022
<b>Financial assets</b>	\$000	\$000
Cash and cash equivalents	5,239	5,580
Receivables (amortised cost)*	13	1
<b>Total financial assets</b>	<u>5,252</u>	<u>5,581</u>
<b>Financial liabilities at amortised cost</b>		
Payables	141	146
Lease liabilities	2	12
<b>Total financial liabilities</b>	<u>143</u>	<u>158</u>

\* 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.

**15. Budgetary reporting and explanations of major variances**

The following provides details of the 2022-23 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.

<b>Statement of Comprehensive Income</b>	Original budget	Actual	Variance
	\$000	\$000	\$000
<b>Expenses:</b>			
Employee expenses	14,485	14,398	(87)
Supplies and services:			
Contractors	1,943	1,479	(464)
Office accommodation and service costs	947	835	(112)
Consultancies	164	514	350
Other supplies and services	724	1,474	750
Depreciation and amortisation	254	91	(163)
<b>Total expenses</b>	<u>18,517</u>	<u>18,791</u>	<u>274</u>

	Original budget \$000	Actual \$000	Variance \$000
<b>Income:</b>			
Appropriations and contingency provision grant	18,518	18,815	297
Services received free of charge	-	86	86
Other income	1	1	-
<b>Total income</b>	<u>18,519</u>	<u>18,902</u>	<u>383</u>
<b>Net result and total comprehensive result</b>	<u>2</u>	<u>111</u>	<u>109,</u>
<b>Investing expenditure summary:</b>			
Minor capital works and equipment	251	597	346
<b>Total annual programs</b>	<u>251</u>	<u>597</u>	<u>346</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 (2022-23 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 2023**

	2023	2022
	\$000	\$000
<b>Expenses:</b>		
Employee expenses	431	316
Audit fees paid/payable to Consolidated Account	16,719	16,398
<b>Total expenses</b>	<u>17,150</u>	<u>16,714</u>
<b>Income:</b>		
Fees for audit services	16,719	16,398
Appropriation – Special Acts	366	352
<b>Total income</b>	<u>17,085</u>	<u>16,750</u>
<b>Net result</b>	<u>(65)</u>	<u>36</u>
<b>Total comprehensive result</b>	<u>(65)</u>	<u>36</u>

**Statement of Administered Financial Position  
as at 30 June 2023**

		2023	2022
	Note	\$000	\$000
<b>Current assets:</b>			
Cash and cash equivalents		307	525
Receivables	A2	259	780
<b>Total assets</b>		<u>566</u>	<u>1,305</u>
<b>Current liabilities:</b>			
Employee benefits		477	52
Audit fees payable to Consolidated Account		195	980
Goods and services tax payable		171	125
<b>Total current liabilities</b>		<u>843</u>	<u>1,157</u>
<b>Non-current liabilities:</b>			
Employee benefits – long service leave		-	360
<b>Total non-current liabilities</b>		<u>-</u>	<u>360</u>
<b>Total liabilities</b>		<u>843</u>	<u>1,517</u>
<b>Net assets</b>		<u>(277)</u>	<u>(212)</u>
<b>Equity:</b>			
Retained earnings		(277)	(212)
<b>Total equity</b>		<u>(277)</u>	<u>(212)</u>

**Statement of Administered Cash Flows  
for the year ended 30 June 2023**

		2023	2022
		Inflows (Outflows)	Inflows (Outflows)
<b>Cash flows from operating activities:</b>	Note	\$000	\$000
Cash outflows:			
Employee expenses		(366)	(352)
Amounts paid to Consolidated Account		(17,505)	(16,686)
Goods and services tax paid to Australian Taxation Office		(1,626)	(1,660)
Cash inflows:			
Fees for audit services	A2	18,919	18,553
Cash flows from SA Government:			
Appropriations – Special Acts		360	339
<b>Net cash provided by (used in) operating activities</b>		<u>(218)</u>	<u>194</u>
<b>Net increase (decrease) in cash and cash equivalents</b>		(218)	194
<b>Cash and cash equivalents at 1 July</b>		<u>525</u>	<u>331</u>
<b>Cash and cash equivalents at 30 June</b>		<u>307</u>	<u>525</u>

**Notes to and forming part of the administered financial statements**

**A1. Basis of preparation and accounting policies**

**(a) Basis of preparation**

The basis of preparation for the administered financial statements is the same as the basis outlined at note 13. The department applies the same accounting policies to the administered financial statements as for items controlled by the Auditor-General's Department.

**(b) Appropriation**

The appropriation for special acts relates to recoveries from the SA Government for the Auditor-General's salary. Salary amounts paid which are yet to be recovered are recorded as appropriation receivable.

**A2. Audit fee receivables**

	2023	2022
	\$000	\$000
Fees outstanding at 1 July	741	1,256
Billings	18,392	18,038
	<u>19,133</u>	<u>19,294</u>
Receipts	18,919	18,553
Fees outstanding at 30 June	<u>214</u>	<u>741</u>
<b>Other receivables</b>		
Appropriation receivable	<u>45</u>	<u>39</u>

Special Acts appropriation for the Auditor-General's salary is received one month in arrears.

**A3. Budgetary reporting and explanations of major variances**

The following provides details of the 2022-23 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.

<b>Statement of Comprehensive Income</b>	Original Budget	Actual	Variance
<b>Expenses:</b>	\$000	\$000	\$000
Employee expenses	365	431	66
Amounts paid/payable to Consolidated Account	17,058	16,719	(339)
<b>Total expenses</b>	<u>17,423</u>	<u>17,150</u>	<u>(273)</u>

	Original Budget	Actual	Variance
<b>Income:</b>	\$000	\$000	\$000
Fees for audit services	17,058	16,719	(339)
Appropriation – Special Acts	353	366	13
<b>Total income</b>	<u>17,411</u>	<u>17,085</u>	<u>(326)</u>
<b>Net result and total comprehensive result</b>	<u>(12)</u>	<u>(65)</u>	<u>(53)</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 (2022-23 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.