



Level 9
State Administration Centre
200 Victoria Square
Adelaide SA 5000
Tel +618 8226 9640
ABN 53 327 061 410
enquiries@audit.sa.gov.au
www.audit.sa.gov.au

To the Electoral Commissioner Electoral Commission of South Australia

Opinion

I have audited the financial report of the Electoral Commission of South Australia for the financial year ended 30 June 2024.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Electoral Commission of South Australia as at 30 June 2024, 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 Disclosures.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2024
- a Statement of Financial Position as at 30 June 2024
- a Statement of Changes in Equity for the year ended 30 June 2024
- a Statement of Cash Flows for the year ended 30 June 2024
- notes, comprising material accounting policy information and other explanatory information
- a Statement of Administered Comprehensive Income for the year ended 30 June 2024
- a Statement of Administered Financial Position as at 30 June 2024
- a Statement of Administered Cash Flows for the year ended 30 June
- a Schedule of Income and Expenses attributable to administered activities for the year ended 30 June 2024
- notes, comprising material accounting policy information and other explanatory information for administered items
- a Certificate from the Electoral Commissioner and the Manager, Finance.

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 Electoral Commission of South Australia. 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 Electoral Commissioner for the financial report

The Electoral 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 Australian Accounting Standards – Simplified Disclosures, 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 that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Electoral 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 Electoral 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 Electoral Commission of South Australia for the financial year ended 30 June 2024.

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 Electoral Commission of South Australia's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Electoral Commissioner
- conclude on the appropriateness of the Electoral 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 Electoral 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)

27 September 2024

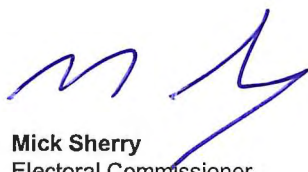
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Electoral Commission of South Australia

Certification of the Financial Statements

We certify that the:

- financial statements of the Electoral Commission of South Australia:
 - are in accordance with the accounts and records of the Electoral Commission of South Australia; 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 Electoral Commission of South Australia 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 Electoral Commission of South Australia for the financial year over its financial reporting and its preparation of the financial statements have been effective.



Mick Sherry
Electoral Commissioner

Date: 26 September 2024



Chau Nguyen
Manager - Finance

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Electoral Commission of South Australia

Statement of Comprehensive Income

for the year ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
<u>Income</u>			
Appropriation	2.1	11 225	10 460
SA Government transfers	2.2	680	-
Sales of goods and services	2.3	787	9 404
Fees and charges	2.4	2	3
Resources received free of charge	2.5	82	72
Other income	2.6	69	62
Total income		12 845	20 001
<u>Expenses</u>			
Employee related expenses	3.3	4 266	6 079
Supplies and services	4.1	7 157	9 728
Depreciation and amortisation	5.1, 5.2	1 024	1 107
Borrowing costs	4.2	1	-
Other expenses	4.3	43	139
Return of cash to consolidated account	2.1	-	4 000
Total expenses		12 491	21 053
Net result		354	(1 052)
Total comprehensive result		354	(1 052)

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

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Electoral Commission of South Australia

Statement of Financial Position

as at 30 June 2024

	Note	2024 \$'000	2023 \$'000
<u>Current assets</u>			
Cash and cash equivalents	6.2	3 126	1 512
Receivables	6.3	431	878
Total current assets		3 557	2 390
<u>Non-current assets</u>			
Property, plant and equipment	5.1	1 146	1 787
Intangible assets	5.2	942	1 273
Total non-current assets		2 088	3 060
Total assets		5 645	5 450
<u>Current liabilities</u>			
Payables	7.2	813	914
Financial liabilities	7.3	17	3
Employee related liabilities	3.4	382	377
Provisions	7.4	13	19
Other current liabilities	7.5	-	105
Total current liabilities		1 225	1 418
<u>Non-current liabilities</u>			
Financial liabilities	7.3	29	-
Employee related liabilities	3.4	421	404
Provisions	7.4	39	51
Total non-current liabilities		489	455
Total liabilities		1 714	1 873
Net assets		3 931	3 577
<u>Equity</u>			
Contributed capital		1 558	1 558
Retained earnings		2 373	2 019
Total equity		3 931	3 577

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

Electoral Commission of South Australia

Statement of Changes in Equity

for the year ended 30 June 2024

	Contributed capital \$'000	Retained earnings \$'000	Total equity \$'000
Balance at 30 June 2022	1 558	3 071	4 629
Net result for 2022-23 and Total comprehensive result for 2022-23	-	(1 052)	(1 052)
Balance at 30 June 2023	1 558	2 019	3 577
Net result for 2023-24 and Total comprehensive result for 2023-24	-	354	354
Balance at 30 June 2024	1 558	2 373	3 931

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

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Electoral Commission of South Australia

Statement of Cash Flows

for the year ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
<u>Cash flows from operating activities</u>			
<i>Cash inflows</i>			
Appropriation		11 225	10 460
SA Government transfers		680	-
Sales of goods and services		1 194	10 495
Fees and charges		2	3
GST recovered from the ATO (net of payments)		615	386
Other receipts		69	62
Cash generated from operations		13 785	21 406
<i>Cash outflows</i>			
Employee related payments		(4 262)	(6 259)
Payments for supplies and services		(7 829)	(11 068)
Interest paid on lease liabilities		(1)	-
Other payments		(43)	(53)
Return of cash to consolidated account		-	(4 000)
Cash used in operations		(12 135)	(21 380)
Net cash provided by operating activities		1 650	26
<u>Cash flows from investing activities</u>			
<i>Cash outflows</i>			
Purchase of intangible assets		(27)	(587)
Net cash used in investing activities		(27)	(587)
<u>Cash flows from financing activities</u>			
<i>Cash outflows</i>			
Repayment of principal portion of lease liabilities		(9)	(26)
Net cash used financing activities		(9)	(26)
Net increase/(decrease) in cash and cash equivalents		1 614	(587)
Cash and cash equivalents at the beginning of the period		1 512	2 099
Cash and cash equivalents at the end of the period	6.2	3 126	1 512

The accompanying notes form part of these financial statements.

Electoral Commission of South Australia

Notes to the Financial Statements

1. About the Electoral Commission of South Australia

The Electoral Commission of South Australia (the Commission) is a government agency of the State of South Australia. The Commission is established pursuant to the *Public Sector Act 2009* as an administrative unit acting on behalf of the Crown, which has been established to assist the Electoral Commissioner to discharge statutory duties in accordance with the provisions of the *Electoral Act 1985*.

The Commission does not control any other entity and has no interests in unconsolidated structured entities. The financial statements and accompanying notes include all the controlled activities of the Commission.

Administered financial statements relating to administered resources are presented separately as part of this report after Note 8.

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 Statements issued by the Treasurer under the *Public Finance and Audit Act*; and
- relevant Australian Accounting Standards, applying simplified disclosures.

For the purposes of preparing the financial statements the Commission is a not-for-profit entity.

The financial statements are prepared based on a 12 month reporting period and presented in Australian currency.

The historical cost convention is used unless a different measurement basis is identified in the notes to the financial statements.

Income, expenses and assets are recognised net of the amount of Goods and Services Tax (GST) except:

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office (ATO), 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
- 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 are recoverable from, or payable to, the ATO are classified as operating cash flows.

Assets and liabilities that are to be sold, consumed or realised as part of the normal 12 month operating cycle have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

1.2 Objectives and programs

The objectives of the Commission are to provide services which enable the fair and independent election of government and governing bodies and which help and encourage the community to participate with confidence and trust in the democratic processes of representation.

The Commission conducts fair and independent state, council and nominated statutory elections and utilises its skill base to support non-government electoral activities and offer electoral advice across all community sectors.

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Electoral Commission of South Australia

The Commission provides a range of electoral services and products, covering the parliamentary and non-parliamentary sectors, including:

Program 1: Parliamentary Electoral Services

- conduct of elections for representatives for the state parliament;
- maintaining an accurate register of electors;
- monitoring and reporting disclosures of donations and campaign expenditure for registered political parties, candidates, agents and third parties, administering the public funding for election campaigns for participating individuals and parties, and reimbursing administrative expenditure incurred by registered political parties;
- electoral education and information provision for the South Australian community;
- research and evaluation of electoral matters;
- support for parliamentary electoral district boundary reviews.

Program 2: Non-Parliamentary Electoral Services

- conduct of elections for councils, statutory, commercial and other organisations and Members of the First Nations Voice to the South Australian parliament;
- providing information to organisations seeking advice on electoral matters;
- support for council boundary representation reviews.

The following tables present income, expenses, assets and liabilities attributable to each program.

Income and expenses by program <i>for the year ended 30 June 2024</i>	Parliamentary Electoral Services		Non-Parliamentary Electoral Services		Total	
	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income						
Appropriation	7 590	6 460	3 635	4 000	11 225	10 460
SA Government transfers	680	-	-	-	680	-
Sales of goods and services	7	6	780	9 398	787	9 404
Fees and charges	2	3	-	-	2	3
Resources received free of charge	82	72	-	-	82	72
Other income	69	62	-	-	69	62
Total income	8 430	6 603	4 415	13 398	12 845	20 001
Expenses						
Employee related expenses	3 003	2 833	1 263	3 246	4 266	6 079
Supplies and services	4 767	3 641	2 390	6 087	7 157	9 728
Depreciation and amortisation	863	931	161	176	1 024	1 107
Borrowing costs	1	-	-	-	1	-
Other expenses	43	139	-	-	43	139
Return of cash to consolidated account	-	-	-	4 000	-	4 000
Total expenses	8 677	7 544	3 814	13 509	12 491	21 053
Net result	(247)	(941)	601	(111)	354	(1 052)

The 2023 comparative data differs from the reported amounts in the 2023 Financial Statements due to the reclassification of costs relating to the First Nations Voice Election from Parliamentary Electoral Services to Non-Parliamentary Electoral Services.

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Electoral Commission of South Australia

Assets and liabilities by program <i>as at 30 June 2024</i>	Parliamentary Electoral Services		Non-Parliamentary Electoral Services		Total	
	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets						
Cash and cash equivalents	3 126	1 512	-	-	3 126	1 512
Receivables	216	290	215	588	431	878
Property, plant and equipment	1 146	1 787	-	-	1 146	1 787
Intangible assets	400	555	542	718	942	1 273
Total assets	4 888	4 144	757	1 306	5 645	5 450
Liabilities						
Payables	717	763	96	151	813	914
Financial liabilities	46	3	-	-	46	3
Employee related liabilities	803	781	-	-	803	781
Provisions	52	70	-	-	52	70
Other liabilities	-	105	-	-	-	105
Total liabilities	1 618	1 722	96	151	1 714	1 873
Net assets	3 270	2 422	661	1 155	3 931	3 577

1.3 Budget performance

The budget performance table compares the Commission's outcomes against budget information presented to Parliament (2023-24 Budget Paper 4). Appropriation reflects appropriation issued to special deposit accounts controlled by the Commission. The budget amounts have not been adjusted to reflect revised budgets or administrative restructures. The budget process is not subject to audit.

Statement of Comprehensive Income		Original Budget 2024	Actual 2024	Variance 2024
	Ref.	\$'000	\$'000	\$'000
Income				
Appropriation	(1)	8 867	11 225	2 358
SA Government transfers	(2)	-	680	680
Sales of goods and services		685	787	102
Fees and charges		-	2	2
Resources received free of charge		-	82	82
Other income		-	69	69
Total income		9 552	12 845	3 293
Expenses				
Employee related expenses		4 031	4 266	235
Supplies and services	(3)	4 966	7 157	2 191
Depreciation and amortisation		1 011	1 024	13
Borrowing costs		2	1	(1)
Other expenses		38	43	5
Total expenses		10 048	12 491	2 443
Net result		(496)	354	850
Total comprehensive result		(496)	354	850

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Investing expenditure summary		Original Budget 2024 \$'000	Actual 2024 \$'000	Variance 2024 \$'000
	Ref.			
Investing expenditure summary				
Total annual programs	(4)	50	-	(50)
Fleet leases	(4)	65	52	(13)
Total investing expenditure		115	52	(63)

- (1) Appropriations from the Governor's Appropriation account were not budgeted and related to the conduct of the by-election for the District of Dunstan (\$869 000) and the initial First Nations Voice to SA Parliament elections (\$698 000), costs relating to Court of Disputed Returns actions and other investigations (\$758 000), and other intra-government costs (\$33 000).
- (2) The SA Government transfer from the Digital Investment Fund for research and preparatory costs in relation to the proposed acquisition of an updated election management system was not included in budget estimates.
- (3) *Supplies and services* were higher than original budget due to the additional activities detailed in statement 1 above.
- (4) *Investing expenditure* was less than budgeted due to no spend on annual programs during 2023-24 and lower than expected changeover costs for expiring right-of-use motor vehicles leased by the Commission through the South Australian Government Financing Authority (SAFA).

2. Income

2.1 Appropriation

	2024 \$'000	2023 \$'000
Appropriation from Consolidated Account pursuant to the <i>Appropriation Act</i>	8 867	6 195
Appropriation from Governor's Appropriation Fund	2 358	4 265
Total appropriation	11 225	10 460

Appropriation is recognised on receipt.

This table does not show appropriation in the form of a loan or an equity contribution.

No money has been appropriated in the form of a loan or an equity contribution.

Appropriation pursuant to the *Appropriation Act* consists of operational funding and funding for capital projects and annual programs. This appropriation comprises money issued and applied to the Commission as per Schedule 1 of the *Appropriation Act*.

No money appropriated for the Commission's purposes was issued to special deposit accounts or deposit accounts of other public authorities.

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Electoral Commission of South Australia

2.2 SA Government transfers

	2024	2023
	\$'000	\$'000
SA Government transfers	680	-
Total SA Government transfers	680	-

SA Government transfers are recognised as income on receipt.

The SA Government transfer was received in March 2024 from the Digital Investment Fund for research and preparatory costs in relation to the proposed acquisition of an updated election management system.

2.3 Sales of goods and services

	2024	2023
	\$'000	\$'000
Council elections	161	8 782
Other council services	613	609
Commercial elections	6	7
Electoral rolls and maps	7	6
Total sales of goods and services	787	9 404

All revenue from sales of goods and services is revenue recognised from legislated arrangements or contracts with customers.

Council elections and other services

In accordance with South Australian legislation the Commission is the mandated electoral authority for electoral services for all councils (except Roxby Downs). Elections, electoral rolls, representation reviews and other services are conducted on a fee-for-service basis whereby the Commission recovers the cost of conducting those activities. Revenue is recognised in the period in which the goods are provided or the costs of services are incurred as the Commission's rights to consideration are unconditional. Accrued revenue arises when the election activity concludes after the end of the reporting period.

Payment is due within 30 days of invoicing. No advance payments are received from customers.

Commercial elections

The Commission conducts elections for certain South Australian government bodies (in accordance with their legislation) and non-government organisations. These elections are conducted on a fee-for-service basis whereby the Commission recovers the cost of conducting those activities. Revenue is recognised in the period in which the goods are provided or the costs of services are incurred as the Commission's rights to consideration are unconditional. Accrued revenue arises when the election activity concludes after the end of the reporting period.

Payment is due within 30 days of invoicing. No advance payments are received from customers.

Electoral rolls and maps

Revenue from the provision of electoral rolls and sale of maps is recognised when the Commission provides these products to the customer. Delivery of electoral rolls occurs when they are electronically forwarded to the customer. Maps are delivered to customers through the post or can be collected from the Commission's office.

Payment is due within 30 days of delivery.

2.4 Fees and charges

	2024	2023
	\$'000	\$'000
Forfeited candidate nomination deposits	2	3
Total revenues from fees and charges	2	3

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During the conduct of a parliamentary election or by-election, candidates must pay a deposit when nominating for that election in accordance with the *Electoral Act*. The deposit is refundable after the election on certain conditions prescribed in the *Electoral Act*. Deposits that are not refundable are forfeited to the Commission and are recognised as income at that time.

The Commission is responsible for registration of political parties under the *Electoral Act*. That Act sets out the fees associated with registration. The registration fees are recognised when received.

2.5 Resources received free of charge

	2024 \$'000	2023 \$'000
Services received free of charge from Shared Services SA	15	16
Services received free of charge from the Department of Premier and Cabinet	67	56
Total resources received free of charge	82	72

Services received free of charge relate to:

- Payroll services provided by Shared Services SA.
- Information technology and communication services provided by the Office of the Chief Information Officer, Department of the Premier and Cabinet.

Corresponding expenses have been recognised in Note 4.1.

2.6 Other income

	2024 \$'000	2023 \$'000
Other miscellaneous income	69	62
Total other income	69	62

Other income includes reimbursements received for employee related expenses associated with staff secondments to other electoral commissions for general election activities and other miscellaneous cost recoveries.

3. Key management personnel, committee members and employees

3.1 Key management personnel

Key management personnel of the Commission include the Minister (previously the Attorney-General and now the Special Minister of State), the Electoral Commissioner and the Deputy Electoral Commissioner who have responsibility for the strategic direction and management of the Commission.

The Electoral Commissioner and Deputy Electoral Commissioner are employed pursuant to the *Electoral Act*. Their remuneration is reported in Notes to Administered Items Note A3 *Remuneration of Statutory Officers employed pursuant to the Electoral Act*.

The compensation disclosed in Note 3.3 and Administered Items Note A3 excludes salaries and other benefits the Attorney-General and the Special Minister of State receive. The Attorney-General's and the Special Minister of State's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account (via the Department of Treasury and Finance) under section 6 of the *Parliamentary Remuneration Act 1990*.

There were no transactions with key management personnel.

Electoral Commission of South Australia

3.2 Risk and Performance Committee members

Members during the 2024 financial year were:

- Patricia Christie
- John Dunnery
- Vladimir Malcik
- Nigel Stevenson
- Tamara Charman # (until 28 June 2024)

In accordance with the Premier and Cabinet Circular No. 016, members of the Committee that were government employees did not receive any remuneration for committee duties during the financial year.

Committee members' remuneration

	2024 No.	2023 No.
The number of members whose remuneration received or receivable in relation to their membership of this Committee falls within the following bands:		
\$1 - \$19 999	4	4
Total number of members	4	4

The total remuneration received or receivable by members was \$9 000 (2023: \$10 000). Remuneration of members reflects sitting fees only.

3.3 Employee related expenses

	2024 \$'000	2023 \$'000
Salaries and wages	3 241	4 960
Long service leave	114	36
Annual leave	253	151
Skills and experience retention leave	3	9
Employment on-costs - superannuation	384	513
Employment on-costs - payroll tax	200	285
Committee fees	9	10
Workers compensation	(5)	54
Other employee related expenses	67	61
Total employee related expenses	4 266	6 079

Employment on-costs - superannuation

The superannuation employment on-costs charge represents the Commission's contributions to superannuation plans in respect of current services of current employees.

Employee remuneration

No employees of the Commission received remuneration equal to or greater than the base executive remuneration level during the year.

Targeted voluntary separation packages

No targeted voluntary separation packages were paid during the current or previous reporting periods.

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Electoral Commission of South Australia

3.4 Employee related liabilities

	2024 \$'000	2023 \$'000
<u>Current</u>		
Accrued salaries and wages	5	9
Annual leave	227	245
Long service leave	42	39
Skills and experience retention leave	18	15
Employment on-costs	90	69
Total current employee related liabilities	382	377
<u>Non-current</u>		
Long service leave	392	378
Employment on-costs	29	26
Total non-current employee related liabilities	421	404
Total employee related liabilities	803	781

Long-term employee related liabilities are measured at present value and short-term employee related liabilities 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 are based on actuarial assumptions on expected future salary and wage levels, experience of employee departures and periods of services. These assumptions are based on employee data over SA Government entities.

The discount rate is reflective of the yield on long-term Commonwealth Government bonds. The yield on long-term Commonwealth Government bonds has increased from 2023 (4.0%) to 2024 (4.25%).

This increase in the bond yield results in a decrease in the reported long service leave liability.

The portion of long service leave classified as current reflects the Commission's average annual payments of the liability in recent years.

Employment on-costs

Employment on-costs include payroll tax and superannuation contributions and are settled when the respective employee related liabilities that they relate to are discharged. These on-costs primarily relate to the balance of leave owing to employees. Estimates as to the proportion of long service leave estimated to be taken as leave, rather than paid on termination, affects whether certain on-costs are recognised as a consequence of long service leave liabilities.

The Commission contributes to several State Government and externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. No liability was outstanding at the reporting date relating to any contributions due but not yet paid to a superannuation scheme.

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 changed from the 2023 rate (43%) to 44% in 2024 and the average factor for the calculation of employer superannuation cost on-costs has also changed from the 2023 rate (11.1%) to 11.5% in 2024. These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year is an increase in the employment on-cost and employee benefits expense by \$2 000. The impact on future periods is impracticable to estimate.

Electoral Commission of South Australia

4. Expenses

Employee related expenses are disclosed in Note 3.3.

4.1 Supplies and services

	2024	2023
	\$'000	\$'000
Rental accommodation	653	852
Advertising	707	1 065
Production and maintenance of electoral rolls	1 292	1 218
Printing and stationery	118	936
Postage	126	2 197
Information technology and communications	998	929
Education and research	63	106
Distribution, storage and hire rental	138	239
Training and development	36	39
Consultants	8	-
Travel	107	55
Contractors and related expenses	900	661
Contract of services	1 351	811
Minor works, maintenance and equipment	37	48
Other	623	572
Total supplies and services	7 157	9 728

Accommodation

The Commission's head office, election processing centre, and call centre accommodation is provided by the Department for Infrastructure and Transport (DIT) under Memoranda of Administrative Arrangement (MOAA) issued in accordance with Government-wide accommodation policies. These arrangements do not meet the definition of lease set out in AASB 16 *Leases*. Information about accommodation incentives relating to these arrangements is in Note 7.5.

Consultants

	2024	2023		
	No.	\$'000	No.	\$'000
The number of consultancies and the dollar amount paid/payable (included in <i>Supplies and services</i>) to consultants that fell within the following bands:				
Below \$10 000	1	8	-	-
Total	1	8	-	-

4.2 Borrowing costs

	2024	2023
	\$'000	\$'000
Interest expense on lease liabilities	1	-
Total borrowing costs	1	-

Interest expense on lease liabilities relates to right-of-use motor vehicle assets capitalised in accordance with AASB 16 *Leases*. The Commission does not capitalise borrowing costs.

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4.3 Other expenses

	2024 \$'000	2023 \$'000
Audit fees paid/payable to the Audit Office of South Australia	43	53
Derecognition of internally developed computer software costs	-	86
Total other expenses	43	139

Audit fees paid/payable to the Audit Office of South Australia relate to work performed under the *Public Finance and Audit Act*. No other services were provided by the Audit Office of South Australia.

Derecognition expense comprised internally developed computer software that was initially capitalised as work in progress costs but which subsequently no longer met the recognition criteria.

5. Non-financial assets

5.1 Property, plant and equipment

Property, plant and equipment comprises tangible assets owned and right-of-use (leased) assets. The assets presented below do not meet the definition of investment property.

	Leasehold improve- ments \$'000	Plant and equipment \$'000	Right-of- use motor vehicles \$'000	Tangible assets total \$'000
Gross carrying amount	1 211	3 518	52	4 781
Accumulated depreciation	(1 210)	(2 419)	(6)	(3 635)
Carrying amount	1	1 099	46	1 146
Reconciliation 2023-24				
Carrying amount at the beginning of the period	240	1 544	3	1 787
Acquisitions	-	-	52	52
Depreciation	(239)	(445)	(9)	(693)
Carrying amount at the end of the period	1	1 099	46	1 146

Useful life and depreciation

Depreciation is calculated on a straight-line basis. Property, plant and equipment depreciation is calculated over the estimated useful life as follows:

Class of asset	Useful life (years)
Leasehold improvements	5 - 9
Plant and equipment	3 - 10
Right-of-use motor vehicles	3 (lease term)

Review of accounting estimates

Assets' residual values, useful lives and depreciation periods and methods are reviewed and adjusted, if appropriate, on an annual basis. No changes in the residual value, expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset were made during the year.

Electoral Commission of South Australia

Property, plant and equipment owned by the Commission

Property, plant and equipment owned by the Commission with a value equal to or in excess of \$10 000 is capitalised; otherwise it is expensed. Property, plant and equipment owned by the Commission is subsequently measured at fair value.

No items of property, plant and equipment have been revalued.

Right-of-use motor vehicles leased by the Commission

Right-of-use motor vehicles leased by the Commission as lessee are measured at cost.

The Commission has three motor vehicle leases with the South Australian Government Financing Authority (SAFA). Motor vehicle leases are non-cancellable, with rental payments monthly in arrears. Motor vehicle lease terms are for 3 years or up to 60 000 km. 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.

Commitments for lease payments relating to lease liabilities are included in Note 8.1.

Short-term leases of 12 months or less and low-value leases, where the underlying asset value is less than \$10 000, are not recognised as right-of-use assets.

5.2 Intangible assets

	Purchased computer software \$'000	Internally developed computer software \$'000	Intangible assets total \$'000
Gross carrying amount	241	2 348	2 589
Accumulated depreciation	(143)	(1 504)	(1 647)
Carrying amount	98	844	942
Reconciliation 2023-24			
Carrying amount at the beginning of the period	132	1 141	1 273
Amortisation	(34)	(297)	(331)
Carrying amount at the end of the period	98	844	942

Intangible assets are initially measured at cost and are tested for indications of impairment at each reporting date. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and any accumulated impairment losses.

The acquisition or internal development of software is capitalised only when the expenditure meets the definition and recognition criteria and when the amount of expenditure is greater than or equal to \$10 000.

Expenditure incurred that does not meet the definition and recognition criteria, such as costs prior to the acquisition of software or research phase costs incurred prior to the internal development of software, is not capitalised. Such expenditure is expensed in the period incurred.

In 2023-24 expenditure amounting to \$364 000 did not meet the definition and recognition criteria for intangible assets and was expensed in that year. *Employee related expenses* amounted to \$25 000 (Note 3.3) and *Supplies and services* expenses amounted to \$339 000 (Note 4.1 - comprising *Contractors and related expenses*, *Contract of services*, and *Travel* expenses).

The purchased computer software relates to the Commission's funding and disclosure operating portal, specialised Legislative Council vote counting software, and other election-related software. The funding and disclosure operating portal was decommissioned at the end of the licence period in January 2024.

The internally developed computer software relates to the Commission's state, council, and APY Executive Board election management and operating systems.

Amortisation is calculated on a straight-line basis. Intangible assets' amortisation is calculated over the estimated useful life of 3 - 5 years.

Electoral Commission of South Australia

6. Financial assets

6.1 Categorisation of financial assets

	2024 Carrying Amount \$'000	2023 Carrying Amount \$'000
Financial assets		
Cash and cash equivalents		
Cash and cash equivalents	3 126	1 512
Total financial assets	3 126	1 512

Receivables as disclosed in this note do not include statutory amounts as these are not financial instruments.

6.2 Cash and cash equivalents

	2024 \$'000	2023 \$'000
Deposits with the Treasurer (Special Deposit Accounts)	3 126	1 511
Cash on hand	-	1
Total cash and cash equivalents	3 126	1 512

Deposits with the Treasurer

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

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

The Commission has two deposit accounts with the Treasurer: a general operating account and an Accrual Appropriation Excess Funds Account.

Although the Commission controls the money in the Accrual Appropriation Excess Funds Account, its use must be approved by the Treasurer.

Electoral Commission of South Australia

6.3 Receivables

	2024 \$'000	2023 \$'000
Contractual receivables		
From government entities	277	725
Total contractual receivables	277	725
Statutory receivables		
GST input tax recoverable	77	-
Total statutory receivables	77	-
Prepayments	45	150
Accrued revenues	32	3
Total current receivables	431	878

Contractual receivables arise in the normal course of providing goods and services to councils, other South Australian government agencies and to the public. Contractual receivables are normally settled within 30 days after the issue of an invoice.

Statutory receivables do not arise from contracts with customers. They are related to taxes as well as statutory fees and charges. Statutory receivables are recognised and measured similarly to contractual receivables but are not classified as financial instruments for disclosure purposes.

The net amount of GST recoverable from the ATO is included as part of receivables. However, if a net GST payable arises, then this amount would be disclosed as part of payables in Note 7.2.

Accrued revenue relates to the Commission's unconditional rights to consideration for work performed but not yet billed at the reporting date on all council elections, other council services, and all commercial elections.

Receivables are non-interest bearing.

Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

No allowance for impairment loss on receivables is presently required.

7. Liabilities

Employee related liabilities are disclosed in Note 3.4.

7.1 Categorisation of financial liabilities

	2024 Carrying Amount \$'000	2023 Carrying Amount \$'000
Financial liabilities		
Financial liabilities at amortised cost		
Payables (<i>contractual to non-government entities</i>)	47	203
Lease liabilities (<i>right-of-use motor vehicles</i>)	46	3
Total financial liabilities	93	206

Payables as disclosed in this note do not include accrued expenses or statutory amounts as these are not financial instruments.

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7.2 Payables

	2024 \$'000	2023 \$'000
<u>Contractual payables</u>		
To government entities	174	369
To non-government entities	42	200
Accrued expenses	597	167
Total contractual payables	813	736
<u>Statutory payables</u>		
GST Payable	-	178
Total statutory payables	-	178
Total current payables	813	914

Payables and accrued expenses are recognised for all amounts owing but unpaid. Contractual 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.

Statutory payables do not arise from contracts. Statutory payables include government taxes and statutory fees and charges. This is in addition to employee related payables, such as payroll tax, Fringe Benefits Tax, Pay As You Go Withholding and ReturnToWorkSA levies. Statutory payables are carried at cost.

The net amount of GST payable to the ATO is included as part of payables. However, if a net GST recoverable arises, then this amount would be disclosed as part of receivables in Note 6.3.

7.3 Financial liabilities

	2024 \$'000	2023 \$'000
<u>Current</u>		
Lease liabilities - Right-of-use motor vehicles	17	3
Total current financial liabilities	17	3
<u>Non-current</u>		
Lease liabilities - Right-of-use motor vehicles	29	-
Total non-current financial liabilities	29	-
Total financial liabilities	46	3

Financial liabilities are measured at amortised cost.

7.4 Provisions

	Workers Compens- ation \$'000	Provisions total \$'000
Carrying amount at the beginning of the period	70	70
Additions	22	22
Payments	(12)	(12)
Remeasurement	(28)	(28)
Carrying amount at the end of the period	52	52

Electoral Commission of South Australia

A provision has been reported to reflect potential unsettled workers compensation claims. The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2024 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 Commission is responsible for the payment of workers compensation claims.

7.5 Other liabilities

	2024	2023
	\$'000	\$'000
Current		
Office accommodation incentive	-	105
Total current other liabilities	-	105

Office accommodation incentive liabilities relate to arrangements with DIT for head office accommodation. These arrangements do not comprise leases and the accommodation incentives do not comprise financial liabilities. DIT has provided a fit-out free of charge in 2019-20, which was recognised as a *Leasehold improvement*. The benefit of this incentive is spread over the accommodation term so that each year reported accommodation expenses reflect the economic substance of the office accommodation arrangements and related benefits provided. The term concluded on 30 June 2024.

8. Outlook

8.1 Unrecognised commitments

Commitments arising from contractual sources are disclosed at their nominal value and inclusive of non-recoverable GST.

Contractual commitments to acquire property, plant and equipment and intangible assets

There were no contractual commitments for capital expenditure at the reporting date.

Other contractual commitments

The Commission's other contractual commitments comprise:

- MOAAs with DIT for accommodation. The future payments for these arrangements total \$8 893 000 over the next 12 years.
- outstanding purchase orders and contracts for the provisions of goods and services in the future that had not been provided for at the end of the reporting period. Future payments for these goods and services when provided total \$907 000 over the next 4 years.

	2024	2023
	\$'000	\$'000
Within one year	1 027	1 081
Later than one year but not later than five years	2 862	2 495
Later than five years	5 911	-
Total contractual commitments for operating expenditure	9 800	3 576

8.2 Contingent assets and liabilities

In the ordinary course of its operations, the Commission becomes involved in legal disputes in the Court of Disputed Returns. At the date of adoption of these financial statements, some of these disputes remain outstanding. The Commission does not expect any material impact to its operations from these disputes.

8.3 Events after the reporting period

No events have occurred between 30 June 2024 and the date the financial statements are authorised that may have a material impact on the results of subsequent years.

Electoral Commission of South Australia

Administered Items

Administered Financial Statements

Statement of Administered Comprehensive Income

for the year ended 30 June 2024

	2024 \$'000	2023 \$'000
<u>Administered income</u>		
Revenues from SA Government	1 207	1 179
Fees and charges	226	864
Interest	15	10
Total administered income	1 448	2 053
<u>Administered expenses</u>		
Employee related expenses	592	596
Supplies and services	758	510
Payments to consolidated account	319	937
Total administered expenses	1 669	2 043
Net result	(221)	10
Total comprehensive result	(221)	10

The accompanying notes form part of these financial statements.

Electoral Commission of South Australia

Administered Items**Statement of Administered Financial Position***as at 30 June 2024*

	2024	2023
	\$'000	\$'000
<u>Administered current assets</u>		
Cash and cash equivalents	190	360
Receivables	343	221
Total administered current assets	533	581
Total administered assets	533	581
<u>Administered current liabilities</u>		
Payables	247	23
Employee related liabilities	66	158
Total administered current liabilities	313	181
<u>Administered non-current liabilities</u>		
Employee related liabilities	81	40
Total administered non-current liabilities	81	40
Total administered liabilities	394	221
Net administered assets	139	360
<u>Administered equity</u>		
Accumulated surplus	139	360
Total administered equity	139	360

The accompanying notes form part of these financial statements.

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Electoral Commission of South Australia

Administered Items

Statement of Administered Cash Flows

for the year ended 30 June 2024

	2024 \$'000	2023 \$'000
Cash flows from operating activities		
<i>Cash inflows</i>		
Receipts from SA Government	1 088	1 131
Fees and charges	223	846
Interest received	15	10
GST recovered from the ATO	19	-
Cash generated from operations	1 345	1 987
<i>Cash outflows</i>		
Employee related payments	(603)	(548)
Payments for supplies and services	(689)	(510)
Payments to consolidated account	(223)	(919)
Cash used in operations	(1 515)	(1 977)
Net cash provided by operating activities	(170)	10
Net increase in cash and cash equivalents	(170)	10
Cash and cash equivalents at beginning of the period	360	350
Cash and cash equivalents at the end of the period	190	360

The accompanying notes form part of these financial statements.

Schedule of Income and Expenses Attributable to Administered Activities

for the year ended 30 June 2024

	Electoral Districts Boundaries Commission		Special Acts <i>(Salaries and allowances for statutory officers)</i>		Other <i>(see details of composition in Note A2)</i>		Total	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Administered income								
Revenues from SA Government	-	-	552	596	655	583	1 207	1 179
Fees and charges	-	-	-	-	226	864	226	864
Interest	15	10	-	-	-	-	15	10
Total administered income	15	10	552	596	881	1 447	1 448	2 053
Administered expenses								
Employee related expenses	40	-	552	596	-	-	592	596
Supplies & services	196	-	-	-	562	510	758	510
Payments to consolidated account	-	-	-	-	319	937	319	937
Total administered expenses	236	-	552	596	881	1 447	1 669	2 043
Net result	(221)	10	-	-	-	-	(221)	10

Electoral Commission of South Australia

Administered Items

Notes to Administered Financial Statements

A1 Basis of preparation and accounting policies

The basis of preparation for the administered financial statements is the same as the basis outlined in Note 1.1 for the Commission. The Commission applies the same accounting policies to the administered financial statements as set out in the notes to the Commission's financial statements.

A2 Objectives/activities of the Commission's Administered Items

The Commission's administered items are structured to contribute to three main areas:

- **Electoral Districts Boundaries Commission**
The Commission administers the receipts and payments of the Electoral Districts Boundaries Commission.
- **Special Acts**
The Electoral Commissioner, Deputy Electoral Commissioner, and Acting Deputy Electoral Commissioner are appointed as statutory officers pursuant to the provisions of the *Electoral Act*. The Commission receives a separate appropriation for the payment of salaries and allowances for statutory officers which is an administered item.
- **Other**
Other includes administered revenue which is collected on behalf of other government agencies and forwarded to them when received. Administered income (*Fees and charges*) comprises non-voter expiation fees received as provided in the *Electoral Act*. Administered expenses includes the payment of those expiation fees received into consolidated account (Department of Treasury and Finance).
Other also includes payments provided in the *Electoral Act* for Special Assistance Funding claims for reimbursement of administrative costs incurred by registered political parties with parliamentary representation and for payment of Public Funding claims for election campaigns for participating individuals and parties. The Commission receives separate revenue from the SA Government to meet payment of these claims.

A3 Remuneration of Statutory Officers employed pursuant to the Electoral Act

	Ref.	2024 No.	2023 No.
The number of statutory officers whose remuneration received or receivable falls within the following bands:			
\$1 to \$26 000	(1)	1	-
\$46 001 to \$66 000	(2)	-	1
\$86 001 to \$106 000	(2)	1	-
166 001 to \$186 000	(3)	1	-
\$206 001 to \$226 000	(1)	-	1
\$306 001 to \$326 000		-	1
\$326 001 to \$346 000		1	-
Total		4	3

The total remuneration received by these statutory officers for the year was \$633 000 (2023: \$582 000).

- (1) The Acting Deputy Electoral Commissioner's appointment concluded on 14 July 2023. The band and remuneration reflects a full year in 2023.

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Electoral Commission of South Australia

Administered Items

- (2) The Deputy Electoral Commissioner commenced long term leave on 21 May 2022. The band and remuneration in 2024 and 2023 includes additional leave paid and benefits received in those years until retirement on 16 July 2023.
- (3) The Deputy Electoral Commissioner's appointment commenced on 5 October 2023. The band and remuneration reflect above reflect the 9 month period to 30 June 2024.

The table includes all statutory officers who received remuneration during the year.

Remuneration for statutory officers reflects all costs of employment including salaries, allowances, superannuation contributions, salary sacrifice benefits and fringe benefits and any fringe benefits tax paid or payable in respect of those benefits.

Salaries, superannuation contributions and salary sacrifice benefits were paid from Administered Items and allowances, fringe benefits and any fringe benefits tax were paid by the Commission.

A4 Budget performance of Administered Items

Statement of Comprehensive Income		Original Budget	Actual	Variance
Ref.		2024 \$'000	2024 \$'000	2024 \$'000
<u>Administered income</u>				
	Revenues from SA Government	(1) 1 393	1 207	(186)
	Fees and charges	(2) -	226	226
	Interest	-	15	15
	Total administered income	1 393	1 448	55
<u>Administered expenses</u>				
	Employee related expenses	(3) 636	592	(44)
	Supplies and services	757	758	1
	Payments to consolidated account	(4) -	319	319
	Total administered expenses	1 393	1 669	276
	Net result	-	(221)	(221)

- (1) Appropriation for Electoral Districts Boundaries Commission not required during 2023-24 (\$315 000) partly offset by Appropriation for Public Funding claims (\$123 000) which was not included in the budget estimates and slightly higher statutory officers' salaries expenses (\$6 000).
- (2) Expiation fees received from electors that failed to vote at parliamentary State elections or by-elections are not included in budget estimates. Receipts amounted to \$226 000 in 2023-24 and were remitted to consolidated account.
- (3) *Employee related expenses* were lower than original budget mainly due to lower expenses incurred in 2023-24 by the Electoral Districts Boundaries Commission (\$50 000), partly offset by slightly higher remuneration for statutory officers determined by the Remuneration Tribunal (\$6 000).
- (4) *Payments to consolidated account* include expiation fees remitted to consolidated account in 2023-24 (\$226 000) which are not included in budget estimates.

Where appropriation received in relation to Special Assistance Funding claims or Public Funding claims exceeded the amounts claimed and paid/payable to qualifying claimants, the surplus appropriation is remitted to consolidated account (\$93 000 owing in 2023-24).

Administered investing expenditure

There was no budgeted or actual administered investing expenditure in the year ended 30 June 2024.