



**FINANCIAL
REPORTING**

Financial reporting

The AEC's financial reporting consists of a financial performance summary, financial statements and supporting notes. In 2014–15 the AEC accrued an operating deficit of \$382 000 and surplus of \$11.047 million.

Overview

Financial performance summary

The financial performance analysis provides a snapshot of the AEC's deficit, surplus, balance sheet and net asset information.

Financial statements and related notes

This section covers the audited financial statements for the AEC. These consist of the auditor's report, Electoral Commissioner and Chief Finance Officer statement, various financial statements and administered schedules. Further information on the financial performance of the AEC is provided in the notes section.

Financial performance summary

For 2014–15, the AEC's operating deficit was \$0.4 million compared to an operating surplus of \$11.0 million in 2013–14. The 2013–14 result was influenced by an amount of quarantined appropriation.

The statement of financial position as at 30 June 2015 shows total assets of \$95.8 million and total liabilities of \$38.9 million for a net asset position of \$56.9 million. Total assets include cash and receivables of \$59.5 million, including a quarantined amount of \$30.5 million.

The Australian National Audit Office has issued an unqualified audit opinion for the AEC's 2014–15 financial statements.

Auditor's report



INDEPENDENT AUDITOR'S REPORT

To the Special Minister of State

I have audited the accompanying financial statements of the Australian Electoral Commission for the year ended 30 June 2015, which comprise:

- Statement by Electoral Commissioner and Chief Finance Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement;
- Schedule of Commitments;
- Administered Schedule of Comprehensive Income;
- Administered Schedule of Assets and Liabilities;
- Administered Reconciliation Schedule;
- Administered Cash Flow Statement;
- Administered Schedule of Commitments; and
- Notes comprising a Summary of Significant Accounting Policies and other explanatory information.

Electoral Commissioner's Responsibility for the Financial Statements

The Electoral Commissioner of the Australian Electoral Commission is responsible under the *Public Governance, Performance and Accountability Act 2013* for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards and the rules made under that Act. The Electoral Commissioner is also responsible for such internal control as is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I have conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. These auditing standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Accountable Authority of the entity, as well as evaluating the overall presentation of the financial statements.

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

Independence

In conducting my audit, I have followed the independence requirements of the Australian National Audit Office, which incorporate the requirements of the Australian accounting profession.

Opinion

In my opinion, the financial statements of the Australian Electoral Commission:

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

Australian National Audit Office

SIGNED

Serena Buchanan
Executive Director

Delegate of the Auditor-General

Canberra
10 September 2015

Statement by the Electoral Commissioner and Chief Finance Officer

AUSTRALIAN ELECTORAL COMMISSION	
STATEMENT BY THE ELECTORAL COMMISSIONER AND CHIEF FINANCE OFFICER	
In our opinion, the attached financial statements for the year ended 30 June 2015 comply with subsection 42(2) of the <i>Public Governance, Performance and Accountability Act 2013</i> (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.	
In our opinion, at the date of this statement, there are reasonable grounds to believe that the Australian Electoral Commission will be able to pay its debts as and when they fall due.	
SIGNED	SIGNED
Signed.....	Signed
Tom Rogers Electoral Commissioner	Stephen Blackburn Chief Finance Officer
10 September 2015	10 September 2015

Statement of comprehensive income for the period ended 30 June 2015

	Notes	2015 \$'000	2014 \$'000
NET COST OF SERVICES			
EXPENSES			
Employee benefits	4A	73 315	149 336
Suppliers	4B	50 506	124 832
Depreciation and amortisation	4C	9 459	9 389
Finance costs	4D	39	34
Write-down and impairment of assets	4E	111	1
Losses from asset disposals	4F	184	19
Total expenses		133 614	283 611
OWN-SOURCE INCOME			
Own-source revenue			
Sale of goods and rendering of services	5A	19 224	18 406
Other revenue	5B	480	186
Total own-source revenue		19 704	18 592
Net cost of services		113 910	265 019
Revenue from Government	5C	113 528	276 066
(Deficit)/surplus attributable to the Australian Government		(382)	11 047
OTHER COMPREHENSIVE INCOME			
Items not subject to subsequent reclassification to net cost of services			
Changes in asset revaluation surplus		2 148	5 323
Total other comprehensive income		2 148	5 323
Total comprehensive income attributable to the Australian Government		1 766	16 370

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

Statement of financial position as at 30 June 2015

	Notes	2015 \$'000	2014 \$'000
ASSETS			
Financial Assets			
Cash and cash equivalents	7A	891	1 518
Trade and other receivables	7B	58 618	48 207
Total financial assets		59 509	49 725
Non-Financial Assets			
Land and buildings	8A,C	11 524	12 062
Property, plant and equipment	8B,C	5 780	7 227
Intangibles	8D,E	13 836	14 413
Inventories	8F	3 055	1 898
Lease incentive		80	122
Other non-financial assets	8G	1 988	1 567
Total non-financial assets		36 263	37 289
Total assets		95 772	87 014
LIABILITIES			
Payables			
Suppliers	9A	8 085	7 679
Other payables	9B	7 947	7 649
Total payables		16 032	15 328
Provisions			
Employee provisions	10A	21 257	22 253
Other provisions	10B	1 561	1 577
Total provisions		22 818	23 830
Total liabilities		38 850	39 158
Net assets		56 922	47 856
EQUITY			
Parent Entity Interest			
Contributed equity		43 190	35 890
Asset revaluation surplus		21 100	18 952
Accumulated deficit		(7 368)	(6 986)
Total parent entity interest		56 922	47 856

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

Statement of changes in equity for the period ended 30 June 2015

	Retained earnings		Asset revaluation Surplus		Contributed equity/capital		Total equity	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Opening balance								
Balance carried forward from previous period	(6 986)	(18 033)	18 952	13 629	35 890	28 117	47 856	23 713
Adjusted opening balance	<u>(6 986)</u>	<u>(18 033)</u>	<u>18 952</u>	<u>13 629</u>	<u>35 890</u>	<u>28 117</u>	<u>47 856</u>	<u>23 713</u>
Comprehensive income								
Other comprehensive income	-	-	2 148	5 323	-	-	2 148	5 323
Surplus/(deficit) for the period	(382)	11 047	-	-	-	-	(382)	11 047
Total comprehensive income	<u>(382)</u>	<u>11 047</u>	<u>2 148</u>	<u>5 323</u>	<u>-</u>	<u>-</u>	<u>1 766</u>	<u>16 370</u>
Transactions with owners								
Distributions to owners								
Returns of capital								
Statute Stocktake (Appropriations) Act 2013	-	-	-	-	-	(400)	-	(400)
Contributions by owners								
Equity injection – Appropriations	-	-	-	-	-	3 992	-	3 992
Departmental capital budget	-	-	-	-	7 300	4 181	7 300	4 181
Sub-total transactions with owners	-	-	-	-	7 300	7 773	7 300	7 773
Closing balance as at 30 June	<u>(7 368)</u>	<u>(6 986)</u>	<u>21 100</u>	<u>18 952</u>	<u>43 190</u>	<u>35 890</u>	<u>56 922</u>	<u>47 856</u>

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

Cash flow statement for the period ended 30 June 2015

	Notes	2015 \$'000	2014 \$'000
OPERATING ACTIVITIES			
Cash received			
Appropriations		106 646	252 436
Sales of goods and rendering of services		22 309	20 727
Lease incentives		–	495
Net GST received		3 237	9 514
Total cash received		132 192	283 172
Cash used			
Employees		73 701	149 468
Suppliers		59 075	133 821
Total cash used		132 776	283 289
Net cash from operating activities	11	(584)	(117)
Cash used			
Purchase of property, plant and equipment		1 111	2 634
Purchase of intangibles		3 136	1 543
Total cash used		4 247	4 177
Net cash used by investing activities		(4 247)	(4 177)
FINANCING ACTIVITIES			
Cash received			
Contributed equity		3	1 254
Departmental Capital Budget		4 201	2 869
Total cash received		4 204	4 123
Net cash from financing activities		4 204	4 123
Net (decrease) in cash held		(627)	(171)
Cash and cash equivalents at the beginning of the reporting period		1 518	1 689
Cash and cash equivalents at the end of the reporting period	7A	891	1 518

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

Schedule of commitments as at 30 June 2015

	2015 \$'000	2014 \$'000
BY TYPE		
Commitments receivable¹		
Commitments receivable ²	(12 759)	(77 882)
Net GST recoverable on commitments	(7 084)	(526)
Total commitments receivable	(19 843)	(78 408)
Commitments payable		
Other commitments		
Operating leases ³	59 476	71 585
Other ⁴	23 305	12 226
Total other commitments	82 781	83 811
Net commitments by type	62 938	5 403
BY MATURITY		
Commitments receivable		
Other commitments receivable		
One year or less	(13 928)	(18 556)
From one to five years	(4 805)	(58 037)
Over five years	(1 110)	(1 815)
Total other commitments receivable	(19 843)	(78 408)
Total commitments receivable	(19 843)	(78 408)
Commitments payable		
Operating lease commitments		
One year or less	14 470	14 316
From one to five years	32 791	37 450
Over five years	12 215	19 819
Total operating lease commitments	59 476	71 585
Other Commitments		
One year or less	9 715	10 805
From one to five years	13 590	1 277
Over five years	–	144
Total other commitments	23 305	12 226
Total commitments payable	82 781	83 811
Net commitments by maturity	62 938	5 403

1. Commitments are GST inclusive where relevant.
2. Commitments receivable by the AEC relates largely to arrangements with each state and territory for the sharing of certain costs associated with the maintenance of the joint Commonwealth, State and Territory electoral rolls (2015: \$11.3m; 2014: \$73.0m). The balance at 2014 includes five years of expected revenue. The AEC has revised its approach for recognising commitments so that the balance at 2015 includes only one year of commitment, as this is the notice period that is required under the Memorandum of Understandings.
3. Operating leases include leases for office accommodation and storage that are effectively non-cancellable. The lease payments can be varied periodically to take account of an annual Consumer Price Index increase, a fixed increase or a market increase.
4. Other commitments include Information Technology (IT) contractors and service agreements with IT and communication providers (2015: \$16.6m; 2014: \$7.2m).

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

Administered schedules

Administered Schedule of Comprehensive Income for the period ended 30 June 2015

	Notes	2015 \$'000	2014 \$'000
NET COST OF SERVICES			
EXPENSES			
Other Expenses	16A	53	60 984
Total expenses		<u>53</u>	<u>60 984</u>
INCOME			
Revenue			
Non-taxation revenue			
Electoral fines/penalties	17A	967	2 242
Total non-taxation revenue		<u>967</u>	<u>2 242</u>
Total revenue		<u>967</u>	<u>2 242</u>
Net contribution/(cost of) by services		<u>914</u>	<u>(58 742)</u>
Total comprehensive income (loss)		<u>914</u>	<u>(58 742)</u>

Administered Schedule of Assets and Liabilities as at 30 June 2015

There were no administered assets or liabilities for the AEC.

Administered Reconciliation Schedule

	2015 \$'000	2014 \$'000
Opening assets less liabilities as at 1 July		
Net cost of (contribution by) services:		
Income	967	2 242
Expenses	(53)	(60 984)
Transfers (to) from Australian Government:		
Transfers (to) from OPA	(914)	58 742
Closing assets less liabilities as at 30 June	<u>-</u>	<u>-</u>

Administered Cash Flow Statement for the period ended 30 June 2015

	Notes	2015 \$'000	2014 \$'000
OPERATING ACTIVITIES			
Cash received			
Electoral fines/penalties		960	2 237
Other		7	5
Total cash received		967	2 242
Cash used			
Political Parties/Candidates		–	60 957
Refund of Electoral fines/penalties		53	27
Total cash used		53	60 984
Net cash flows from (used by) operating activities		914	(58 742)
Net increase (decrease) in Cash Held	19	914	(58 742)
Cash and cash equivalents at the beginning of the reporting period			
Cash from Official Public Account for:			
Appropriations		53	60 984
		53	60 984
Cash to Official Public Account for:			
Appropriations		(967)	(2 242)
		(967)	(2 242)
Cash and cash equivalents at the end of the reporting period		–	–

Administered Schedule of Commitments as at 30 June 2015

There were no administered commitments or contingencies for the AEC (2014: Nil).

Financial statements and related notes

Notes to the Financial Statements

Note 1: Summary of Significant Accounting Policies

Note 2: Events After the Reporting Period

Note 3: Net Cash Appropriation Arrangements

Note 4: Expenses

Note 5: Own-Source Income

Note 6: Fair Value Measurements

Note 7: Financial Assets

Note 8: Non-Financial Assets

Note 9: Payables

Note 10: Provisions

Note 11: Cash Flow Reconciliation

Note 12: Contingent Assets and Liabilities

Note 13: Senior Management Personnel Remuneration

Note 14: Financial Instruments

Note 15: Financial Assets Reconciliation

Note 16: Administered – Expenses

Note 17: Administered – Income

Note 18: Administered – Assets and Liabilities

Note 19: Administered – Cash Flow Reconciliation

Note 20: Administered – Contingent Assets and Liabilities

Note 21: Administered – Financial Instruments

Note 22: Appropriations

Note 23: Special Accounts

Note 24: Assets Held in Trust

Note 25: Reporting of Outcomes

Note 26: Budgetary Reports and Explanations of Major Variances

Note 1: Summary of Significant Accounting Policies

1.1 Objectives of the Australian Electoral Commission

The Australian Electoral Commission (AEC) is an Australian Government controlled entity. It is a not-for-profit entity. The objective of the entity is to conduct elections and referendums, maintain the electoral roll, provide electoral information, education programmes and related services and manage funding and disclosure in relation to political parties.

The AEC is structured to meet the following outcome:

Outcome 1: Maintain an impartial and independent electoral system for eligible voters through active electoral roll management, efficient delivery of polling services and targeted education and public awareness programmes.

The continued existence of the AEC in its present form and with its present programmes is dependent on Government policy and on continuing funding by Parliament for the AEC's administration and programmes.

The AEC activities contributing toward these outcomes are classified as either departmental or administered. Departmental activities involve the use of assets, liabilities, income and expenses controlled or incurred by the AEC in its own right. Administered activities involve the management or oversight by the AEC, on behalf of the Government, of items controlled or incurred by the Government.

Administered items managed for the Government by the AEC are primarily the payment of Election Public Funding and collection of Electoral Fees and Fines.

1.2 Basis of Preparation of the Financial Statements

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

The financial statements have been prepared in accordance with:

- a. Financial Reporting Rule (FRR) for reporting periods ending on or after 1 July 2014; and
- b. Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

The financial statements are presented in Australian dollars and values are rounded to the nearest thousand dollars unless otherwise specified.

Unless an alternative treatment is specifically required by an accounting standard or the FRR, assets and liabilities are recognised in the statement of financial position when and only when it is probable that future economic benefits will flow to the AEC or a future sacrifice of economic benefits will be required and the amounts of the assets or liabilities can be reliably measured. However, assets and liabilities arising under executor contracts are not recognised unless required by an accounting standard. Liabilities and assets that are unrecognised are reported in the schedule of commitments or the contingencies note.

Unless alternative treatment is specifically required by an accounting standard, income and expenses are recognised in the Statement of Comprehensive Income when and only when the flow, consumption or loss of economic benefits has occurred and can be reliably measured.

1.3 Significant Accounting Judgements and Estimates

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

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard Requirements

No accounting standard has been adopted earlier than the application date as stated in the standard. For those new standards, amendments to standards and interpretations issued prior to the sign-off date, where applicable to the current reporting period, there was no financial impact on the AEC, although changes to AASB 101 Presentation of Financial Statements have changed the presentation of the AEC's Financial Statements.

Future Australian Accounting Standard Requirements

The new standards, amendments to standards and interpretations issued by the Australian Accounting Standards Board prior to the sign-off date, are not expected to have a financial impact on the AEC for future reporting periods.

1.5 Revenue

Revenue from the sale of goods is recognised when:

- a. the risks and rewards of ownership have been transferred to the buyer;
- b. the AEC retains no managerial involvement or effective control over the goods;
- c. the revenue and transaction costs incurred can be reliably measured; and
- d. it is probable that the economic benefits associated with the transaction will flow to the AEC.

Revenue from rendering of services is recognised by reference to the stage of completion of contracts at the reporting date. The revenue is recognised when:

- a. the amount of revenue, stage of completion and transaction costs incurred can be reliably measured; and
- b. the probable economic benefits associated with the transaction will flow to the AEC.

The stage of completion of contracts at the reporting date is determined by reference to the proportion that costs incurred to date bear to the estimated total costs of the transaction.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at the end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

The AEC receives funding for programmes under a Record of Understanding with the Department of Foreign Affairs and Trade. The nature of funding falls within two broad categories:

- Specific services. These include training, hosting of international visitors or representation on a specific forum or council. Funding for specific services are recognised as revenue to the extent of costs incurred to date.
- Generic services. This covers the cost of maintaining a presence in a country to provide advice and support to the Government of a specific nation in relation to electoral matters. Funding for generic services is recognised as revenue when the AEC is entitled to receive programme funding.

Revenue from Government

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

Parental Leave Payments Scheme

Amounts received under the Parental Leave Payments Scheme by the AEC not yet paid to employees are presented gross as cash and a liability (payable). The total amount received under this scheme is disclosed in the Note 4A.

Resources Received Free of Charge

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

Contributions of assets at no cost of acquisition or for nominal consideration are recognised as gains at their fair value when the asset qualifies for recognition, unless received from another Government entity as a consequence of a restructuring of administrative arrangements (refer to Note 1.7).

1.6 Gains

Sale of Assets

Gains from disposal of assets are recognised when control of the asset has passed to the buyer.

1.7 Transactions with the Government as Owner

Equity Injections

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

Restructuring of Administrative Arrangements

Net assets received from or relinquished to another Government entity under a restructuring of administrative arrangements are adjusted at their book value directly against contributed equity.

Other Distributions to Owners

The FRR requires that distributions to owners be debited to contributed equity unless it is in the nature of a dividend. In 2014–15 the AEC did not make any distributions. In 2013–14 the AEC returned \$0.400 million under the *Statute Stocktake (Appropriations) Act 2013*.

The Australian Government continues to have regard to developments in case law, including the High Court's most recent decision on Commonwealth expenditure in *Williams v Commonwealth* [2014] HCA 23, as they contribute to the larger body of law relevant to the development of Commonwealth programmes. In accordance with its general practice, the Government will continue to monitor and assess risk and decide on any appropriate actions to respond to risks of expenditure not being consistent with constitutional or other legal requirements.

1.8 Employee Benefits

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

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits are measured as net total of the present value of the defined benefit obligation at the end of the reporting period minus the fair value at the end of the reporting period of plan assets (if any) out of which the obligations are to be settled directly.

Leave

The liability for employee benefits includes provision for annual leave and long service leave. 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 of the AEC is estimated to be less than the annual entitlement for sick leave.

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including the AEC's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The liability for long service leave has been determined by reference to the work of an actuary as at 30 June 2015. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

Annual leave is disclosed as current as there is a legal right to the payment, irrespective of whether the payment is expected to be paid within 12 months or not.

Separation and Redundancy

Provision is made for separation and redundancy benefit payments. The AEC recognises a provision for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations.

Superannuation

AEC staff are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), the PSS accumulation plan (PSSap) or have exercised SuperChoice and nominated their own fund.

The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap is a defined contribution scheme.

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

The AEC makes employer contributions to the employees' superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the Government. The AEC accounts for the contributions as if they were contributions to defined contribution plans.

The liability for superannuation recognised as at 30 June represents outstanding contributions for the final nine working days of the year.

Temporary staff members of the AEC have their superannuation paid into their nominated fund or if no fund is nominated, the Australian Government Employees Superannuation Trust (AGEST) fund is used.

1.9 Leases

A distinction is made between finance leases and operating leases. Finance leases effectively transfer from the lessor to the lessee substantially all the risks and rewards incidental to ownership of leased assets. An operating lease is a lease that is not a finance lease. In operating leases, the lessor effectively retains substantially all such risks and benefits.

The AEC did not have any finance leases as at 30 June 2015.

Payments for operating leases with fixed increases are expensed on a straight-line basis which is representative of the pattern of benefits derived from the leased assets.

Lease incentives taking the form of 'free' leasehold improvements and rent holidays are recognised as an asset and a liability. These assets are reduced across the life of the lease by allocating lease payments between rental expense and reduction of the liability.

1.10 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents includes notes and coins held and any deposits in bank accounts held at call with a bank or financial institution.

1.11 Financial Assets

Loans and Receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate.

Impairment of Financial Assets

Financial assets are assessed for impairment at the end of each reporting period.

Financial assets held at amortised cost – if there is objective evidence that an impairment loss has been incurred for loans and receivables or held to maturity investments held at amortised cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount is reduced by way of an allowance account. The loss is recognised in the Statement of Comprehensive Income.

Effective Interest Method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or, where appropriate, a shorter period.

Income is recognised on an effective interest rate basis except for financial assets that are recognised at fair value through profit or loss.

1.12 Financial Liabilities

Other Financial Liabilities

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

1.13 Contingent Liabilities and Contingent Assets

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

1.14 Acquisition of Assets

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

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition.

1.15 Property, Plant and Equipment

Asset Recognition Threshold

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

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to 'makegood' provisions in property leases taken up by the AEC where there exists an obligation to restore the property to its original condition. These costs are included in the value of the AEC's leasehold improvements with a corresponding provision for restoration recognised.

Revaluations

Fair values for each class of asset are determined as shown below:

Asset Class	Fair value measured at
Leasehold Improvements	Depreciated Optimised Replacement Cost
Property, Plant and Equipment – other	Depreciated Optimised Replacement Cost
Property, Plant and Equipment – forklift, catering equipment and generators	Market Prices

Following initial recognition at cost, property plant and equipment are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Full valuations are conducted every five years and an internal assessment is carried out in the other years to ensure that the carrying amounts of assets did not differ materially from the assets fair values as at the reporting date. The regularity of independent valuations depended upon the volatility of movements in market values for the relevant assets. Valuations are carried out by an independent qualified valuer.

Revaluation adjustments were made on a class basis. Any revaluation increment was credited to equity under the heading of asset revaluation surplus except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets were recognised directly in the surplus/deficit except to the extent that they reversed a previous revaluation increment for that class.

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

Depreciation

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

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

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

	2015	2014
Leasehold improvements	Lesser of lease term/useful life	Lesser of lease term/useful life
Plant and Equipment	5 to 10 years	5 to 10 years
IT Equipment	3 to 5 years	3 to 5 years

Impairment

All assets were assessed for impairment at 30 June 2015. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

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

1.16 Intangibles

The AEC's intangibles comprise purchased software with an initial cost greater than \$5 000 and internally developed software for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Software is amortised on a straight-line basis over its anticipated useful life. The useful lives of the AEC's software are between 1 to 10 years (2013–14: 1 to 10 years).

All software assets were assessed for indications of impairment as at 30 June 2015.

1.17 Inventories

Inventories held for distribution are valued at cost, adjusted for any loss of service potential. The items recognised as inventory have been narrowed to include only cardboard equipment and declaration envelopes.

1.18 Taxation/Competitive Neutrality

The AEC is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:

- a. where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- b. for receivables and payables.

1.19 Fair Value Measurement

There was no transfer between levels of the fair value hierarchy during the 2014–15 financial year.

1.20 Reporting of Administered Activities

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

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

Administered Cash Transfers to and from the Official Public Account

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

Revenue

All administered revenues are revenues relating to ordinary activities performed by the AEC on behalf of the Australian Government. As such, administered appropriations are not revenues of the individual entity that oversees distribution or expenditure of the funds as directed.

Note 2: Events After the Reporting Period

Departmental

There are no events after the reporting date that will materially affect the financial statements.

Administered

There are no events after the reporting date that will materially affect the financial statements.

Note 3: Net Cash Appropriation Arrangements

	2015 \$'000	2014 \$'000
Total comprehensive income less depreciation/amortisation expenses previously funded through revenue appropriations ¹	11 225	25 759
Plus: depreciation/amortisation expenses previously funded through revenue appropriation	(9 459)	(9 389)
Total comprehensive loss – as per the Statement of Comprehensive Income	1 766	16 370

1. From 2010–11, the Government introduced net cash appropriation arrangements, where revenue appropriations for depreciation/amortisation expenses ceased. Entities now receive a separate capital budget provided through equity appropriations. Capital budgets are to be appropriated in the period when cash payments for capital expenditure is required.

Note 4: Expenses

	2015 \$'000	2014 \$'000
Note 4A: Employee Benefits		
Wages and salaries	53 466	126 962
Superannuation:		
Defined contribution plans	3 925	7 860
Defined benefit plans	6 083	6 075
Leave and other entitlements	6 251	5 863
Separation and redundancies	3 590	2 576
Total employee benefits	73 315	149 336
The AEC received \$85 745 (2014: \$97 127) under the Paid Parental Leave Scheme.		
Note 4B: Suppliers		
Goods and services supplied or rendered		
Consultants	2 847	1 427
Contractors	4 669	10 023
Travel	4 213	5 975
IT services	9 930	18 874
Inventory	–	4 469
Venue hire	161	7 763
Mail and Freight	5 042	16 820
Advertising	877	21 749
Printing	723	8 575
Legal Costs	376	2 447
Other	7 932	13 211
Total goods and services supplied or rendered	36 770	111 333
Goods supplied in connection with		
Related parties	78	1 314
External parties	15 502	55 781
Total goods supplied	15 580	57 095
Services rendered in connection with		
Related parties	3 822	18 887
External parties	17 368	35 351
Total services rendered	21 190	54 238
Total goods and services supplied or rendered	36 770	111 333
Other supplier expenses		
Operating lease rentals in connection with		
Related parties		
Minimum lease payments	1 714	2 062
Sub-lease	726	–
External parties		
Minimum lease payments	9 222	9 481
Lease restoration	824	5
Workers compensation expenses	1 250	1 951
Total other supplier	13 736	13 499
Total supplier	50 506	124 832
Note 4C: Depreciation and Amortisation		
Depreciation:		
Property, plant and equipment	2 501	3 130
Leasehold Improvements	3 145	3 226
Total depreciation	5 646	6 356

	2015 \$'000	2014 \$'000
Amortisation:		
Intangibles	3 813	3 033
Total amortisation	3 813	3 033
Total depreciation and amortisation	9 459	9 389
Note 4D: Finance Costs		
Unwinding of discount	39	34
Total finance costs	39	34
Note 4E: Write-Down and Impairment of Assets		
Asset write-downs and impairments from:		
Impairment of receivables	111	1
Total write-down and impairment of assets	111	1
Note 4F: Losses from Asset Disposals		
Property, plant and equipment:		
Proceeds	-	-
Carrying value of assets disposed	184	19
Total losses from asset disposals	184	19

Note 5: Own-Source Income

	2015 \$'000	2014 \$'000
OWN-SOURCE REVENUE		
Note 5A: Sale of Goods and Rendering of Services		
Goods supplied in connection with		
Related parties	64	88
External parties	12 711	12 046
Total goods supplied	12 775	12 134
Services rendered in connection with		
Related parties	5 355	4 346
External parties	1 094	1 926
Total services rendered	6 449	6 272
Total goods and rendering of services	19 224	18 406
Note 5B: Other Revenue		
Other	316	100
Resources received free of charge		
Remuneration of auditors	88	86
Other	76	-
Total other revenue	480	186
REVENUE FROM GOVERNMENT		
Note 5C: Revenue from Government		
Appropriations:		
Departmental appropriation	104 528	267 066
Departmental special appropriations	9 000	9 000
Total revenue from Government	113 528	276 066

Note 6: Fair Value Measurements

The following tables provide an analysis of assets and liabilities that are measured at fair value.

The different levels of the fair value hierarchy are defined below.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the AEC can access at measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

Note 6A: Fair Value Measurements, Valuation Techniques and Inputs Used
 Fair value measurements at the end of the reporting period by hierarchy for assets and liabilities in 2015

		Fair value measurements at the end of the reporting period		For levels 2 and 3 fair value measurement				
		2015 \$'000	2014 \$'000	Category (Level 1, 2 or 3)	Valuation technique(s) ¹	Inputs used	Range (weighted average)	Sensitivity of the fair value measurement to changes in unobservable inputs
Non-financial assets								
Leasehold improvements		11 524	12 062	Level 3	Cost Approach	Unexpired lease term ABS indices Market prices	Unexpired Lease term Range (1–9 years) Weighted Average 5.8 years	The significant unobservable inputs used in the fair value measurement of the AEC's Leasehold Improvement are useful lives. Useful lives for leasehold improvements are based on the unexpired period of the current leases without any allowance for any options that may be available. Significant increases (decreases) in any of those inputs in isolation would result in a significantly lower (higher) fair value measurement.
Property, plant and equipment – other		38	42	Level 2	Market Approach and Cost Approach	Comparable sales Useful life ABS indices Market prices	n/a	n/a
Property, plant and equipment		5 742	7 185	Level 3	Cost Approach	Useful life ABS indices Market prices	Remaining Useful life's (1–25 years) Weighted Average 2.92 years	The significant unobservable inputs used in the fair value measurement of the AEC's Property, Plant and Equipment are useful lives. Significant increases (decreases) in any of those inputs in isolation would result in a significantly lower (higher) fair value measurement.
Total non-financial assets		<u>17 304</u>	<u>19 289</u>					
Total fair value measurements of assets in the statement of financial position		<u>17 304</u>	<u>19 289</u>					

1. There are no non-recurring fair value measurements.
2. There are no changes in valuation techniques.
3. Fair value measurements – highest and best use differs from current use for non-financial assets. The highest and best use of all non-financial assets are the same as their current use.
4. For Recurring and non-recurring Level 3 fair value measurements. The AEC procured valuation services from Rodney Hyman Asset Services Pty Ltd (RHAS) and relied on valuation models provided by RHAS. The AEC tests the valuation model at least once every 12 months. RHAS provided written assurance to the AEC that the model developed is in compliance with AASB 13. RHAS's valuation utilises Australian Producer Price Indexes 6427 Table 12. "Output of the Manufacturing industries, division, subdivision, group and class index numbers" produced by the Australian Bureau of Statistics. The assets in the valuation schedule have been categorised and indexed utilising the industry index to which they most closely align. For example IT assets have been indexed utilising Index Numbers 242 (computer and electronic equipment manufacturing), while furniture assets have been indexed utilising Index Numbers 251 (furniture manufacturing).
5. As noted in the above table the significant unobservable inputs used in the fair value measurement of the AEC's Leasehold Improvement are useful lives and the above mentioned Australian Producer Price Indexes. Useful lives for leasehold improvements are based on the unexpired period of the current leases without any allowance for any options that may be available. Significant increases (decreases) in any of those inputs in isolation would result in a significantly lower (higher) fair value measurement. The significant unobservable inputs used in the fair value measurement of the AEC's Property, Plant and Equipment are useful lives.

Note 6B: Level 1 and Level 2 Transfers for Recurring Fair Value Measurements

No classes of assets were transferred between Level 1 and Level 2.

The AEC's policy for determining when transfers between levels are deemed to have occurred can be found in Note 1.19.

Note 7: Financial Assets

	2015 \$'000	2014 \$'000
Note 7A: Cash and Cash Equivalents		
Cash on hand or on deposit	891	1 518
Total cash and cash equivalents	891	1 518
Note 7B: Trade and Other Receivables		
Goods and services receivables in connection with		
Related parties	268	158
External parties	73	106
Total goods and services receivables	341	264
Appropriations receivable:		
Programme funding ¹	42 498	35 616
Equity Injections	3 989	3 992
Departmental Capital Budget	9 333	6 234
Total appropriations receivable	55 820	45 842
Other receivables:		
GST receivable from the Australian Taxation Office	493	632
Other – related parties	485	72
Other – external parties	1 486	1 398
Total other receivables	2 464	2 102
Total trade and other receivables (gross)	58 625	48 208
Less impairment allowance:		
Goods and services	7	1
Total impairment allowance	7	1
Total trade and other receivables (net)	58 618	48 207
Receivables are expected to be recovered in:		
No more than 12 months	58 618	48 207
More than 12 months	–	–
Total trade and other receivables (net)	58 618	48 207
Receivables are aged as follows:		
Not overdue	58 578	48 167
Overdue by:		
0 to 30 days	34	13
31 to 60 days	12	8
61 to 90 days	–	–
More than 90 days	1	20
Total receivables (gross)	58 625	48 208
The impairment allowance is aged as follows:		
Overdue by:		
More than 90 days	7	1
Total impairment allowance	7	1

1. AEC's Programme Funding Receivable includes an amount of \$24.314m related to activities that the AEC did not undertake in the 2013–14 financial year and \$2.181m related to prior year activities that the AEC did not undertake. Equity injections include an amount of \$3.989m related to activities that the AEC did not undertake. The Department of Finance has quarantined all of these funds. These appropriations will lapse during the 2015–16 financial year.

Credit terms for goods and services are within 30 days (2014: 30 days)

Reconciliation of the Impairment Allowance:

Movements in relation to 2015

	Goods and services \$'000	Total \$'000
Opening balance	1	1
Increase/decrease recognised in net cost of services	6	6
Closing balance	<u>7</u>	<u>7</u>

Movements in relation to 2014

	Goods and services \$'000	Total \$'000
Opening balance	–	–
Increase/decrease recognised in net cost of services	1	1
Closing balance	<u>1</u>	<u>1</u>

Note 8: Non-Financial Assets

	2015 \$'000	2014 \$'000
Note 8A: Land and Buildings		
Leasehold improvements:		
Fair value	12 078	12 529
Accumulated depreciation	(554)	(467)
Total leasehold improvements	11 524	12 062
Total land and buildings	11 524	12 062

No leasehold improvements were expected to be sold or disposed of within the next 12 months.

	2015 \$'000	2014 \$'000
Note 8B: Property, Plant and Equipment		
Other property, plant and equipment:		
Fair value	5 780	7 227
Accumulated depreciation	–	–
Total other property, plant and equipment	5 780	7 227
Total property, plant and equipment	5 780	7 227

Revaluations of non-financial assets

All revaluations were conducted in accordance with the revaluation policy stated at Note 1. In April 2015, an independent valuer from Rodney Hyman Asset Services Pty Ltd conducted a desktop valuation of all assets held at 30 June 2015.

A revaluation increment of \$1 472 176 for leasehold improvements (2014: \$2 869 318) was credited to the asset revaluation surplus by asset class and included in the equity section of the statement of financial position. There was no revaluation increment for provision for restoration (2014: nil). An increment of \$701 127 for property, plant and equipment (2014: \$2 449 841) was credited to the asset revaluation surplus and included in the equity section of the Statement of Financial Position.

Note 8C: Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment for 2015

	Leasehold Improvements \$'000	Other Property, Plant and Equipment \$'000	Total \$'000
As at 1 July 2014			
Gross book value	12 529	7 227	19 756
Accumulated depreciation and impairment	(467)	–	(467)
Total as at 1 July 2014	12 062	7 227	19 289
Additions			
By purchase	1 199	472	1 671
Revaluations and impairments recognised in other comprehensive income	1 472	701	2 173
Depreciation expense	(3 145)	(2 501)	(5 646)
Disposals	(64)	(119)	(183)
Total as at 30 June 2015	11 524	5 780	17 304
Total as at 30 June 2015 represented by:			
Gross book value	12 078	5 780	17 858
Accumulated depreciation and impairment	(554)	–	(554)
Total as at 30 June 2015	11 524	5 780	17 304
As at 1 July 2013			
Gross book value	12 165	5 796	17 961
Accumulated depreciation and impairment	(233)	–	(233)
Total as at 1 July 2013	11 932	5 796	17 728
Additions			
By purchase	487	2 130	2 617
Revaluations and impairments recognised in other comprehensive income	2 869	2 450	5 319
Revaluations recognised in the operating result			
Depreciation expense	(3 226)	(3 130)	(6 356)
Disposals	–	(19)	(19)
Total as at 30 June 2014	12 062	7 227	19 289
Total as at 30 June 2014 represented by:			
Gross book value	12 529	7 227	19 756
Accumulated depreciation and impairment	(467)	–	(467)
Total as at 30 June 2014	12 062	7 227	19 289
		2015 \$'000	2014 \$'000

Note 8D: Intangibles

Computer software:			
Internally developed – in progress		2	18
Internally developed – in use		48 594	47 210
Purchased – in progress		1 135	–
Purchased – in use		2 762	2 029
Accumulated amortisation		(38 657)	(34 844)
Total computer software		13 836	14 413
Total intangibles		13 836	14 413

No indicators of impairment were found for intangible assets (2014: nil).

No intangibles are expected to be sold or disposed of within the next 12 months.

Note 8E: Reconciliation of the Opening and Closing Balances of Intangibles for 2015

	Computer software internally developed \$'000	Computer software purchased \$'000	Total \$'000
As at 1 July 2014			
Gross book value	47 228	2 029	49 257
Accumulated amortisation and impairment	(33 146)	(1 698)	(34 844)
Total as at 1 July 2014	14 082	331	14 413
Additions			
By purchase or internally developed	1 383	1 853	3 236
Amortisation	(3 595)	(218)	(3 813)
Transfer between classes	(15)	15	–
Total as at 30 June 2015	11 855	1 981	13 836
Total as at 30 June 2015 represented by:			
Gross book value	48 596	3 897	52 493
Accumulated amortisation and impairment	(36 741)	(1 916)	(38 657)
Total as at 30 June 2015	11 855	1 981	13 836
As at 1 July 2013			
Gross book value	45 698	2 265	47 963
Accumulated amortisation and impairment	(30 291)	(1 769)	(32 060)
Total as at 1 July 2013	15 407	496	15 903
Additions			
By purchase or internally developed	1 530	13	1 543
Amortisation	(2 855)	(178)	(3 033)
Total as at 30 June 2014	14 082	331	14 413
Total as at 30 June 2014 represented by:			
Gross book value	47 228	2 029	49 257
Accumulated amortisation and impairment	(33 146)	(1 698)	(34 844)
Total as at 30 June 2014	14 082	331	14 413
		2015 \$'000	2014 \$'000

Note 8F: Inventories

Inventories held for distribution		
Election equipment at cost (ballot paper and voting equipment)	3 055	1 898
Total inventories	3 055	1 898

During 2014–15 no inventory held for distribution was recognised as an expense (2013–14: \$3 133 961).

No items of inventory were recognised at fair value less cost to sell.

	2015 \$'000	2014 \$'000
Note 8G: Other Non-Financial Assets		
Prepayments	1 988	1 567
Total other non-financial assets	1 988	1 567
Total other non-financial assets – are expected to be recovered in:		
No more than 12 months	1 965	1 550
More than 12 months	23	17
Total other non-financial assets	1 988	1 567

No indicators of impairment were found for other non-financial assets (2014: Nil).

Note 9: Payables

	2015 \$'000	2014 \$'000
Note 9A: Suppliers		
Trade creditors and accruals	8 085	7 679
Total supplier payables	8 085	7 679
Suppliers in connection with:		
Related parties	2 716	2 939
External parties	5 369	4 740
Total	8 085	7 679
All suppliers will be settled with 12 months. Settlement is usually made within 30 days.		
Note 9B: Other Payables		
Wages and salaries	2 434	2 202
Superannuation	394	323
Lease incentives	3 307	3 744
Straight-line leases	519	582
Unearned revenue	1 293	798
Total other payables	7 947	7 649
Other payables are expected to be settled in:		
No more than 12 months	4 799	3 893
More than 12 months	3 148	3 756
Total other payables	7 947	7 649

Note 10: Provisions

	2015 \$'000	2014 \$'000
Note 10A: Employee Provisions		
Leave	21 257	22 253
Total employee provisions	21 257	22 253
Employee provisions are expected to be settled in:		
No more than 12 months	5 455	5 989
More than 12 months	15 802	16 264
Total employee provisions	21 257	22 253
Note 10B: Other Provisions		
Provision for restoration obligations	1 561	1 577
Total other provisions	1 561	1 577
Other provisions are expected to be settled in:		
No more than 12 months	281	378
More than 12 months	1 280	1 199
Total other provisions	1 561	1 577
	Provision for restoration \$'000	Total \$'000
Carrying amount 1 July 2014	1 577	1 577
Additional provisions made	38	38
Amounts used	(119)	(119)
Amounts reversed	26	26
Unwinding of discount	39	39
Closing balance 2015	1 561	1 561

The AEC currently has 33 (2014: 35) agreements for the leasing of premises which have provisions requiring the AEC to restore the premises to their original condition at the conclusion of the lease. The AEC has made a provision to reflect the present value of this obligation.

Note 11: Cash Flow Reconciliation

	2015 \$'000	2014 \$'000
Reconciliation of cash and cash equivalents as per the statement of financial position to cash flow statement		
Cash and cash equivalents as per:		
Cash flow statement	891	1 518
Statement of financial position	891	1 518
Discrepancy	-	-
Reconciliation of net cost of services to net cash from operating activities:		
Net cost of services	(113 910)	(265 019)
Add revenue from Government	113 528	276 066
Adjustments for non-cash items		
Depreciation/amortisation	9 459	9 389
Net write down of makegood liability	39	34
Loss on disposal of assets	184	19
Movements in assets/liabilities		
Assets		
Decrease in lease incentive asset	42	41
(Increase) in net receivables	(7 317)	(23 298)
(Increase)/decrease in inventories	(1 157)	1 696
(Increase)/decrease in prepayments	(421)	86
Liabilities		
(Decrease) in employee provisions	(996)	(282)
Increase/(decrease) in supplier payables	(215)	1 992
Increase/(decrease) in other payable	298	(869)
(Decrease)/Increase in other provisions	(118)	28
Net cash from/(used by) operating activities	(584)	(117)

Note 12: Contingent Assets and Liabilities

Contingent Assets

At 30 June 2015, the AEC had no contingent assets (2014: nil).

Contingent Liabilities

At 30 June 2015, the AEC had no contingent liabilities (2014: nil).

Quantifiable Contingencies

At 30 June 2015, the AEC had no quantifiable contingencies (2014: nil).

Unquantifiable Contingencies

At 30 June 2015, the AEC had no unquantifiable contingencies (2014: nil).

Significant Remote Contingencies

The AEC has no significant remote contingencies (2014: nil).

Note 13: Senior Management Personnel Remuneration

	2015 \$'000	2014 \$'000
Short-term employee benefits:		
Salary	3 324 563	3 615 433
Other	325 990	202 168
Total short-term employee benefits	3 650 553	3 817 601
Post-employment benefits:		
Superannuation	586 921	729 169
Total post-employment benefits	586 921	729 169
Other long-term benefits:		
Annual leave	305 605	270 138
Long-service leave	98 230	86 831
Total other long-term benefits	403 836	356 969
Total senior management remuneration expenses	4 641 310	4 903 739

The AEC has 19 senior management personnel positions (2014: 19). These positions were filled by 25 senior management staff (2014: 21).

Note 14: Financial Instruments

	2015 \$'000	2014 \$'000
Note 14A: Categories of Financial Instruments		
Financial Assets		
Loans and receivables:		
Cash and cash equivalents	891	1 518
Receivables for goods and services	2 305	1 733
Total financial assets	3 196	3 251
Financial Liabilities		
At amortised cost:		
Trade Creditors	8 085	7 679
Total financial liabilities	8 085	7 679
Note 14B: Net Gains or Losses on Financial Assets		
Loans and receivables		
Impairment of receivables for goods and services	(7)	(1)
Net gain/(loss) from loans and receivables	(7)	(1)

Note 14C: Fair Value of Financial Instruments

The carrying amount of financial instruments does not differ from the fair value.

Note 14D: Credit Risk

The AEC's maximum exposure to credit risk at reporting date in relation to each class of recognised financial assets is the carrying amount of those assets as indicated in the Statement of Financial Position.

The AEC has no significant exposures to any concentration of credit risk.

The following table illustrates the AEC's gross exposure to credit risk, excluding any collateral or credit enhancements.

	2015 \$'000	2014 \$'000
Financial assets		
Cash and cash equivalents	891	1 518
Receivables for goods and services	334	263
Other receivables – related and external parties	1 971	1 470
Total	3 196	3 251

Credit quality of financial assets not past due or individually determined as impaired

	Not past due nor impaired 2015 \$'000	Not past due nor impaired 2014 \$'000	Past due or impaired 2015 \$'000	Past due or impaired 2014 \$'000
Cash and cash equivalents	891	1 518	–	–
Receivables for goods and services	2 258	1 692	47	41
Total	3 149	3 210	47	41

Ageing of financial assets that were past due or impaired for 2015

	0 to 30 days \$'000	31 to 60 days \$'000	61 to 90 days \$'000	90+ days \$'000	Total \$'000
Receivables for goods and services	34	12	–	1	47
Total	34	12	–	1	47

Ageing of financial assets that were past due or impaired for 2014

	0 to 30 days \$'000	31 to 60 days \$'000	61 to 90 days \$'000	90+ days \$'000	Total \$'000
Receivables for goods and services	13	8	–	20	41
Total	13	8	–	20	41

Note 14E: Liquidity Risk

The AEC's financial liabilities are payables. The exposure to liquidity risk is based on the notion that the AEC will encounter difficulty in meeting its obligations associated with financial liabilities. This is highly unlikely due to appropriation funding and mechanisms available to the AEC and internal policies and procedures put in place to ensure there are appropriate resources to meet its financial obligations.

Maturities for non-derivative financial liabilities 2015

	Within 1 year \$'000	Total \$'000
Trade Creditors	8 085	8 085
Total	8 085	8 085

Maturities for non-derivative financial liabilities 2014

	Within 1 year \$'000	Total \$'000
Trade Creditors	7 679	7 679
Total	7 679	7 679

The AEC had no derivative financial liabilities in either 2015 or 2014.

Note 14F: Market Risk

The AEC holds basic financial instruments that do not expose the AEC to certain market risks. The AEC is not exposed to 'Currency Risk', 'Other Price Risk' or 'Interest Rate Risk'.

Note 15: Financial Assets Reconciliation

	Notes	2015 \$'000	2014 \$'000
Financial assets			
Total financial assets as per statement of financial position		59 509	49 725
Less: non-financial instrument components			
Appropriations receivable	7B	(55 820)	(45 842)
Other receivables	7B	(493)	(632)
Total non-financial instrument components		(56 313)	(46 474)
Total financial assets as per financial instruments note	14A	3 196	3 251

Note 16: Administered – Expenses

	2015 \$'000	2014 \$'000
Note 16A: Other Expenses		
Refunds – electoral fines/penalties	53	27
Election public funding	–	60 957
Total other expenses	53	60 984

Note 17: Administered – Income

	2015 \$'000	2014 \$'000
REVENUE		
Non-Taxation Revenue		
Note 17A: Fees and Fines		
Electoral fines/penalties	960	2 237
Candidate deposits	7	5
Total fees and fines	967	2 242

Note 18: Administered – Assets and Liabilities

There are no administered assets or liabilities for the AEC (2014: nil).

Note 19: Administered – Cash Flow Reconciliation

	2015 \$'000	2014 \$'000
Reconciliation of cash and cash equivalents as per Administered Schedule of Assets and Liabilities to Administered Cash Flow Statement		
Cash and cash equivalents as per:		
Schedule of administered cash flows	-	-
Schedule of administered assets and liabilities	-	-
<i>Discrepancy</i>	<u>-</u>	<u>-</u>
Reconciliation of net cost of services to net cash from/(used by) operating activities:		
Net (cost of) contribution by services	(914)	58 742
Adjustments for non-cash items	-	-
Movements in assets/liabilities	-	-
<i>Net cash (from)/used by operating activities</i>	<u>(914)</u>	<u>58 742</u>

Note 20: Administered – Contingent Assets and Liabilities

There are no administered contingencies, remote or quantifiable, for the AEC (2014: nil).

Note 21: Administered – Financial Instruments

There are no administered financial instruments for the AEC (2014: nil).

Note 22: Appropriations

Note 22A: Annual Appropriations ('Recoverable GST exclusive')

	Annual Appropriations for 2015								
	Appropriation Act		PGPA Act			Total appropriation \$'000	Appropriation applied in 2015 (current and prior years) \$'000	Variance ³ \$'000	Section 51 determinations ⁴ \$'000
	Annual Appropriations ¹ \$'000	AFM ² \$'000	Section 74 \$'000	Section 75 \$'000	Section 76 \$'000				
DEPARTMENTAL									
Ordinary annual services	111 828	-	20 597	-	-	132 425	122 444	9 981	-
Other services	-	-	-	-	-	-	-	-	-
Equity	-	-	-	-	-	-	3	(3)	-
Total departmental	111 828	-	20 597	-	-	132 425	122 447	9 978	-

1. No Appropriations have been quarantined.
 2. No adjustments have been made that met the criteria of a formal addition or reduction in revenue.
 3. The variance is in line with the underspend of the AEC.
 4. There are no determinations under section 51 of the PGPA Act.
- No entities spent money from the Consolidated Revenue Fund on behalf of the AEC.

	Annual Appropriations for 2014								
	Appropriation Act		FMA Act			Section 32 \$'000	Total appropriation \$'000	Appropriation applied in 2014 (current and prior years) \$'000	Variance ³ \$'000
	Annual Appropriations ¹ \$'000	Appropriations Reduced ² \$'000	AFM \$'000	Section 30 \$'000	Section 31 \$'000				
DEPARTMENTAL									
Ordinary annual services	275 365	-	-	-	19 542	-	294 907	265 847	29 060
Other services	-	-	-	-	-	-	-	-	-
Equity	3 992	-	-	-	-	-	3 992	1 254	2 738
Total departmental	279 357	-	-	-	19 542	-	298 899	267 101	31 798

1. The AEC's annual appropriation in the 2013-14 financial year includes an amount of \$26.818m related to ordinary annual services and \$3.9898m related to Equity that have been quarantined.
 2. An adjustment of \$0.323m has been applied as a reduction in revenue from government and appropriations receivable in the financial statements.
 3. The variance is in line with the underspend of the AEC.
- No entities spent money from the Consolidated Revenue Fund on behalf of the AEC. There are no determinations under section 51 of the PGPA Act. The FMA Act was replaced by the PGPA Act at 1 July 2014. Amounts in this table were appropriated under the FMA Act.

Note 22B: Departmental Capital Budgets ('Recoverable GST exclusive')

	2015 Capital Budget Appropriations				Capital Budget Appropriations applied in 2015 (current and prior years)		
	<i>Appropriation Act</i>		<i>PGPA Act</i>	Total Capital Budget Appropriations \$'000	Payments for non-financial assets ² \$'000	Payments for other purposes \$'000	Total payments \$'000
	Annual Capital Budget ¹ \$'000	Appropriations reduced \$'000	Section 75 \$'000				
DEPARTMENTAL							
Ordinary annual services –							
Departmental Capital Budget ¹	7 300	–	–	7 300	4 201	–	4 201
							3 099

1. Departmental Capital Budgets are appropriated through Appropriation Acts (No.1 3 5). They form part of ordinary annual services and are not separately identified in the Appropriations Acts. For more information on ordinary annual services appropriations, please see Note 22A: Annual Appropriations.

2. Payments made to non-financial assets include purchases of assets, expenditure on assets which has been capitalised, costs incurred to make good an asset to its original condition and the capital repayment component of finance leases.

3. The actual spending on capital was lower than budget due to reduced capacity of spending with a relatively smaller workforce.

	2014 Capital Budget Appropriations				Capital Budget Appropriations applied in 2014 (current and prior years)		
	<i>Appropriation Act</i>		<i>FMA Act</i>	Total Capital Budget Appropriations \$'000	Payments for non-financial assets ² \$'000	Payments for other purposes \$'000	Total payments \$'000
	Annual Capital Budget ¹ \$'000	Appropriations reduced \$'000	Section 75 \$'000				
DEPARTMENTAL							
Ordinary annual services –							
Departmental Capital Budget ¹	4 181	–	–	4 181	2 869	–	2 869
							1 312

1. Departmental Capital Budgets are appropriated through Appropriation Acts (No.1 3 5). They form part of ordinary annual services and are not separately identified in the Appropriations Acts. For more information on ordinary annual services appropriations, please see Note 22A: Annual Appropriations.

2. Payments made on non-financial assets include purchases of assets, expenditure on assets which has been capitalised, costs incurred to make good an asset to its original condition and the capital repayment component of finance leases.

3. The FMA Act was replaced by the PGPA Act at 1 July 2014. Amounts in this table were appropriated under the FMA Act.

Note 22C: Unspent Annual Appropriations ('Recoverable GST exclusive')

Authority	2015 \$'000	2014 \$'000
DEPARTMENTAL		
Appropriation Act 1 – 2014–15	15 011	–
Appropriation Act 3 – 2014–15	992	–
Appropriation Act 1 – 2014–15 – Cash	891	–
Appropriation Act 1 – 2014–15 – Departmental Capital Budget	6 010	–
Appropriation Act 3 – 2014–15 – Departmental Capital Budget	1 290	–
Appropriation Act 1 – 2013–14	26 818	35 939
Appropriation Act 1 – 2013–14 – Cash	–	1 518
Appropriation Act 1 – 2013–14 – Departmental Capital Budget	2 033	1 478
Appropriation Act 1 – 2012–13 – Departmental Capital Budget	–	4 756
Appropriation Act 2 – Non Operating – Equity Injection – 2013–14	3 989	3 992
Total	57 034	47 683

Note 22D: Special Appropriations ('Recoverable GST exclusive')

Authority	Type	Purpose	Appropriation applied	
			2015 \$'000	2014 \$'000
Commonwealth Electoral Act 1918 (Administered)	Unlimited Amount	Election Public Funding	–	60 957
Financial Management and Accountability Act 1997 – s.28 Refund of Receipts	Refund	Refund of Non Voter Fines	–	30
Public Governance, Performance and Accountability Act 2013 – s.77 Repayment of Receipts	Refund	Refund of Non Voter Fines	27	–
Commonwealth Electoral Act 1918 (Departmental)	Unlimited Amount	Electoral Roll Review	9 000	9 000
Total			9 027	69 987

Note 23: Special Accounts

Services for Other Entities and Trust Monies (SOETM)

	2015 \$'000	2014 \$'000
Balance brought forward from previous period	1 504	–
Increases:		
Other receipts	–	2 424
Total increases	1 504	2 424
Available for payments	1 504	2 424
Decreases:		
Special Public Money Payments made	1 503	920
Total decreases	1 503	920
Total balance carried to the next period	1	1 504

Appropriation: *Public Governance, Performance and Accountability Act 2013*; section 80.

Establishing Instrument: *Financial Management and Accountability Act 1997*; section 20.

Purpose: for the expenditure of monies temporarily held in trust or otherwise for the benefit of a person other than the Commonwealth. For example, candidate deposits.

Note 24: Assets Held in Trust

	2015 \$'000	2014 \$'000
Services for Other Entities and Trust Monies Special Account –		
Monetary Asset		
Total amount held at the beginning of the reporting period	1 504	–
Receipts	–	2 424
Payments:		
Title passed to Australian Government	–	–
Returned to original owner	(1 503)	(920)
<u>Total amount held at the end of the reporting period</u>	<u>1</u>	<u>1 504</u>

Non-monetary assets

The AEC had no non-monetary assets held in trust in both the current and prior reporting period.

Note 25: Reporting of Outcomes

In determining the full cost of outputs, the AEC charges direct costs to programmes and allocates overheads between programmes on the basis of full time equivalent staff.

The AEC's resourcing consumption varies considerably from year to year and between programmes depending on the phase of the electoral cycle.

Note 25A: Net Cost of Outcome Delivery

	Total Outcome 1	
	2015 \$'000	2014 \$'000
Departmental		
Expenses	133 614	283 611
Own-source income	(19 704)	(18 592)
Administered		
Expenses	53	60 984
Income	(967)	(2 242)
Net cost of outcome delivery	112 996	323 833

Outcome 1 is described in Note 1.1. The net costs shown above include intra-government costs.

Note 25B: Major Classes of Departmental Expenses, Income, Assets and Liabilities by Outcome

The AEC has one outcome so these figures appear in the Statement of Comprehensive Income and Statement of Financial Position.

Note 25C: Major Classes of Administered Expenses, Income, Assets and Liabilities by Outcome

The AEC has one outcome so these figures appear in Note 16: Administered Expenses, Note 17: Administered Income and Note 18: Administered Assets and Liabilities.

Note 26: Budgetary Reports and Explanations of Major Variances

The following tables provide a comparison of the original budget as presented in the 2014–15 Portfolio Budget Statements (PBS) to the 2014–15 final outcome as presented in accordance with the Australian Accounting Standards for the AEC. The Budget and variance analysis is not audited.

Note 26A: Departmental Budgetary Reports

Statement of Comprehensive Income – variance from budget for the period ended 30 June 2015

	Actual 2015 \$'000	Budget estimate	
		Original ¹ 2015 \$'000	Variance ² 2015 \$'000
NET COST OF SERVICES			
Expenses			
Employee benefits	73 315	78 609	(5 294)
Suppliers	50 506	50 540	(34)
Depreciation and amortisation	9 459	8 043	1 416
Other expenses	334	85	249
Total expenses	<u>133 614</u>	<u>137 277</u>	<u>(3 663)</u>
OWN-SOURCE INCOME			
Own-source revenue			
Sale of goods and rendering of services and other revenue	19 704	16 613	3 091
Total own-source revenue	<u>19 704</u>	<u>16 613</u>	<u>3 091</u>
Net (cost of)/contribution by services	<u>113 910</u>	<u>120 664</u>	<u>(6 754)</u>
Revenue from Government	113 528	112 536	992
Surplus/(Deficit) attributable to the Australian Government	<u>(382)</u>	<u>(8 128)</u>	<u>7 746</u>
OTHER COMPREHENSIVE INCOME			
Items not subject to subsequent reclassification to net cost of services			
Changes in asset revaluation surplus	2 148	–	2 148
Total comprehensive income/(loss)	<u>2 148</u>	<u>–</u>	<u>2 148</u>
Total comprehensive income/(loss) attributable to the Australian Government	<u>1 766</u>	<u>–</u>	<u>1 766</u>

1. The AEC's original budgeted financial statement that was first presented to parliament in respect of the reporting period (i.e. from the AEC's 2014–15 Portfolio Budget Statements (PBS)).

2. Between the actual and original budgeted amounts for 2015. Explanations of major variances are provided further below.

Statement of Financial Position – variance from budget as at 30 June 2015

	Actual 2015 \$'000	Budget estimate	
		Original ¹ 2015 \$'000	Variance ² 2015 \$'000
ASSETS			
Financial assets			
Cash and cash equivalents	891	1 011	(120)
Trade and other receivables	58 618	16 346	42 272
Total financial assets	59 509	17 357	42 152
Non-financial assets			
Land and buildings	11 524	10 304	1 220
Property, plant and equipment	5 780	3 876	1 904
Intangibles	13 836	14 956	(1 120)
Inventories	3 055	3 594	(539)
Other non-financial assets and lease incentives	2 068	1 652	416
Total non-financial assets	36 263	34 382	1 881
Total assets	95 772	51 739	44 033
LIABILITIES			
Payables			
Suppliers	8 085	5 200	2 885
Other payables	7 947	6 131	1 816
Total payables	16 032	11 331	4 701
Provisions			
Employee provisions	21 257	24 022	(2 765)
Other provisions	1 561	1 553	8
Total provisions	22 818	25 575	(2 757)
Total liabilities	38 850	36 906	1 944
Net assets	56 922	14 833	42 089
EQUITY			
Contributed equity	43 190	36 099	7 091
Reserves	21 100	13 629	7 471
Retained surplus/(Accumulated deficit)	(7 368)	(34 895)	27 527
Total equity	56 922	14 833	42 089

1. The AEC's original budgeted financial statement that was first presented to parliament in respect of the reporting period (i.e. from the AEC's 2014–15 Portfolio Budget Statements (PBS)).

2. Between the actual and original budgeted amounts for 2015. Explanations of major variances are provided in 26B.

Statement of Changes in Equity – variance from budget for the period ended 30 June 2015

	Retained earnings			Asset revaluation surplus			Contributed equity/capital			Total equity		
	Actual	Budget estimate	Variance ²	Actual	Budget estimate	Variance ²	Actual	Budget estimate	Variance ²	Actual	Budget estimate	Variance ²
	2015 \$'000	Original ¹ 2015 \$'000	2015 \$'000	2015 \$'000	Original ¹ 2015 \$'000	2015 \$'000	2015 \$'000	Original ¹ 2015 \$'000	2015 \$'000	2015 \$'000	Original ¹ 2015 \$'000	2015 \$'000
Opening balance												
Balance carried forward from previous period	(6 986)	(26 852)	19 866	18 952	13 629	5 323	35 890	30 089	5 801	47 856	16 866	30 990
Adjusted opening balance	<u>(6 986)</u>	<u>(26 852)</u>	<u>19 866</u>	<u>18 952</u>	<u>13 629</u>	<u>5 323</u>	<u>35 890</u>	<u>30 089</u>	<u>5 801</u>	<u>47 856</u>	<u>16 866</u>	<u>30 990</u>
Comprehensive income												
Surplus/(Deficit) for the period	(382)	(8 043)	7 661	-	-	-	-	-	-	(382)	(8 043)	7 661
Other comprehensive income	-	-	-	2 148	-	2 148	-	-	-	2 148	-	2 148
Total comprehensive income	<u>(382)</u>	<u>(8 043)</u>	<u>7 661</u>	<u>2 148</u>	<u>-</u>	<u>2 148</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1 766</u>	<u>(8 043)</u>	<u>9 809</u>
Total comprehensive income attributable to Australian Government	-	-	-	-	-	-	-	-	-	-	-	-
Transactions with owners												
Contributions by owners												
Departmental capital budget	-	-	-	-	-	-	7 300	6 010	1 290	7 300	6 010	1 290
Total transactions with owners	-	-	-	-	-	-	7 300	6 010	1 290	7 300	6 010	1 290
Closing balance as at 30 June	<u>(7 368)</u>	<u>(34 895)</u>	<u>27 527</u>	<u>21 100</u>	<u>13 629</u>	<u>7 471</u>	<u>43 190</u>	<u>36 099</u>	<u>7 091</u>	<u>56 922</u>	<u>14 833</u>	<u>42 089</u>

1. The entity's original budgeted financial statement that was first presented to parliament in respect of the reporting period (i.e. from the AEC's 2014–15 Portfolio Budget Statements (PBS)).

2. Between the actual and original budgeted amounts for 2015. Explanations of major variances are provided in 26B.

Cash Flow Statement – variance from budget for the period ended 30 June 2015

	Actual 2015 \$'000	Budget estimate	
		Original ¹ 2015 \$'000	Variance ² 2015 \$'000
OPERATING ACTIVITIES			
Cash received			
Appropriations	106 646	112 536	(5 890)
Sale of goods and rendering of services	22 309	16 613	5 696
Total cash received	128 955	129 149	(194)
Cash used			
Employees	73 701	82 674	(8 973)
Suppliers	55 838	45 475	10 363
Total cash used	129 539	128 149	1 390
Net cash from/(used by) operating activities	(584)	1 000	(1 584)
INVESTING ACTIVITIES			
Cash used			
Purchase of property, plant and equipment and Intangibles	4 247	7 010	(2 763)
Total cash used	4 247	7 010	(2 763)
Net cash from/(used by) investing activities	(4 247)	(7 010)	2 763
FINANCING ACTIVITIES			
Cash received			
Contributed equity	4 204	6 010	(1 806)
Other	-	-	-
Total cash received	4 204	6 010	(1 806)
Net cash from/(used by) financing activities	4 204	6 010	(1 806)
Net increase/(decrease) in cash held	(627)	-	(627)
Cash and cash equivalents at the beginning of the reporting period	1 518	1 000	518
Cash and cash equivalents at the end of the reporting period	891	1 000	(109)

1. The AEC's original budgeted financial statement that was first presented to parliament in respect of the reporting period (i.e. from the AEC's 2014–15 Portfolio Budget Statements (PBS)).

2. Between the actual and original budgeted amounts for 2015. Explanations of major variances are provided in 26B.

Note 26B: Departmental Major Budget Variances for 2015

Explanations of major variances	Affected line items (and statement)
Employees during the year were lower than budgeted due to restrictions on recruitment.	Statement of Comprehensive Income – Employee Benefits. Statement of Financial Position – Employee Provisions. Cash Flow Statement – Cash Used Employees.
Higher depreciation and amortisation relates to the revaluation increment at 30 June 2014.	Statement of Comprehensive Income – Depreciation and Amortisation
The AEC had anticipated a decrease in Own Source Income in 2014–15 which did not occur.	Statement of Comprehensive Income – Own Source Income
Trade and other receivables was greater, due to \$26 million of quarantined funds being carried forward into the 2014–15 financial year.	Statement of Financial Position – Trade and Other Receivables, Contributed Equity and Reserves.
The AEC's allocation of assets varied from budget due to a review of asset categories, however overall non-financial assets are in line with expected budget.	Statement of Financial Position – Non-Financial Assets – Property Plant and Equipment and Intangibles
Payables was higher than expected due to volume and timing of expenditure occurred by the end of the financial year.	Statement of Financial Position – Total Payables
Actual cash used was lower on employees but higher than estimate on suppliers.	Cash Flow Statement – Cash used suppliers
Cash used for Property Plant and Equipment was lower than budgeted as the entire Departmental Capital Budget was not spent in the financial year due to delays in major procurements.	Cash Flow Statement – Cash used Purchase of property, plant and equipment and Intangibles

Note 26C: Administered Budgetary Reports

Administered Schedule of Comprehensive Income for the period ended 30 June 2015

	Actual 2015 \$'000	Budget estimate	
		Original ¹ 2015 \$'000	Variance ² 2015 \$'000
NET COST OF SERVICES			
Expenses			
Election public funding	53	–	53
Total expenses	53	–	53
Income			
Revenue			
Non-taxation revenue			
Other taxes, fees and fines	967	66	901
Total non-taxation revenue	967	66	901
Total income	967	66	901
Net (cost of)/contribution by services	914	(66)	980
Total comprehensive (loss) income	914	66	848

1. The AEC's original budgeted financial statement that was first presented to parliament in respect of the reporting period (i.e. from the AEC's 2014–15 Portfolio Budget Statements (PBS)).

2. Between the actual and original budgeted amounts for 2015. Explanations of major variances are provided further below.

Administered Schedule of Assets and Liabilities for not-for-profit Reporting Entities as at 30 June 2015

There are no administered assets or liabilities for the AEC.

Note 26D: Administered Major Budget Variances for 2015

Explanations of major variances	Affected line items (and schedule)
Revenue from Electoral Fines and Penalties was greater than budgeted due to an increase in collection of fines and penalties, related to prior electoral events.	Administered Schedule of Comprehensive Income – Revenue – Other taxes, fees and fines.