

ANNUAL REPORT

ACT ELECTORAL COMMISSION

2016
2017

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PO Box 272, Civic Square ACT 2608.

Phone: 02 6205 0033

Web: www.elections.act.gov.au

Email: elections@act.gov.au

Publication No 17/0654

www.act.gov.au

Telephone: Canberra 132 281

Mrs Joy Burch MLA
Speaker
ACT Legislative Assembly
London Circuit
CANBERRA ACT 2601

Dear Madam Speaker

Part A: ACT Electoral Commission annual report 2016/2017 transmittal certificate

This annual report has been prepared under section 6 of the *Annual Reports (Government Agencies) Act 2004*. It includes an account of the operation and the management of the ACT Electoral Commission during the 2016/2017 financial year.

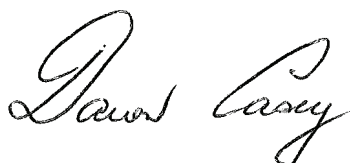
Section 8(2) of the Annual Reports (Government Agencies) Act provides that the Chief Minister's Annual Report Directions do not apply to officers of the Legislative Assembly, including the ACT Electoral Commission. Nevertheless, the Commission has endeavoured to comply with the Chief Minister's Annual Report Directions insofar as they are relevant to the operations of the Commission.

This annual report is a joint report covering the operations of the ACT Electoral Commission and the operations of the Electoral Commissioner and the staff employed to assist the Commissioner. Under the *Electoral Act 1992* and other relevant legislation, the Commissioner exercises some functions independently of the Commission. For simplicity, references in this report to Elections ACT are to be taken to refer to the Electoral Commissioner and his staff.

We certify that the attached annual report is an honest and accurate account and that all material information on the operations of the ACT Electoral Commission has been included for the period 1 July 2016 to 30 June 2017.

The Acting Electoral Commissioner hereby certifies that fraud prevention has been managed in accordance with Public Sector Management Standards, Part 2.

Section 15 of the Annual Reports (Government Agencies) Act requires that you cause a copy of the report to be laid before the Legislative Assembly within 15 weeks after the end of the financial year.



Dawn Casey
Chairperson



Rohan Spence
Acting Electoral Commissioner



Philip Moss AM
Member

8 September 2017

8 September 2017

8 September 2017

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Glossary

Term	Description
ACT	Australian Capital Territory
ACTPS	Australian Capital Territory Public Service
AEC	Australian Electoral Commission
ALP	Australian Labor Party (ACT Branch)
ANU	Australian National University
CMTEDD	Chief Minister, Treasury and Economic Development Directorate
Commission	ACT Electoral Commission
Commissioner	Electoral Commissioner
CPI	Consumer Price Index
ECANZ	Electoral Council of Australia and New Zealand
EDRMS	Electronic digital record management system
Elections ACT	The office of the Electoral Commissioner and the staff appointed to assist the Commissioner
Electoral Act	<i>Electoral Act 1992</i>
FOI	Freedom of Information
FOI Act	<i>Freedom of Information Act 1989</i>
FTE	Full-time employees
Greens	The ACT Greens
Hare-Clark	The proportional representation electoral system used in the ACT
ICT	Information/communication technology
JACSD	Justice and Community Safety Directorate
Joint roll	The common ACT and Commonwealth electoral roll maintained under a formal government-to-government arrangement
LP	Liberal Party of Australia (A.C.T. Division)
MLA	Member of the ACT Legislative Assembly
MOU	Memorandum of understanding
Party	A political party registered under the Electoral Act
Redistribution	A redistribution of electoral boundaries
SERBIR	Senior executive responsible for business integrity risk
Shared Services ICT	The ACT Government information/communication technology management agency
WHS	Workplace health and safety



Part B: Organisation overview and performance

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B.1 Organisation overview

Introduction

The ACT Electoral Commission is an independent statutory authority established under the *Electoral Act 1992* comprising a Chairperson, the Electoral Commissioner and a Member, with responsibility for the conduct of elections and referendums for the ACT Legislative Assembly and for the provision of electoral advice and services.

From 1 July 2014, the members of the Commission became officers of the Legislative Assembly, following the commencement of the *Officers of the Assembly Legislation Amendment Act 2013*. This change in the status of the Commission reinforced the Commission's statutory independence from the Executive. In particular, it altered the reporting lines set out in the Electoral Act.

In accordance with the changes made by the Amendment Act, the Commission's annual reports from 2013/2014 are now presented to the Speaker of the ACT Legislative Assembly. Previous annual reports were submitted to the Minister responsible for the Electoral Act.

This annual report is a joint report covering the operations of the ACT Electoral Commission and the operations of the Electoral Commissioner and the staff employed to assist the Commissioner, working under the operating title of Elections ACT. Under the Electoral Act and other relevant legislation, the Commissioner exercises some functions independently of the Commission. It is important to distinguish between the functions of the Commission and the office of the Electoral Commissioner.

Key activities undertaken in 2016/2017 are described in **Performance highlights** from page 10.

Roles, functions and services

The most important function undertaken by the Commission and Elections ACT is to conduct elections for the ACT Legislative Assembly. An election for the Assembly was held during this reporting period, on 15 October 2016. The next Assembly election is due to be held on 17 October 2020.

The Commission is responsible under the Electoral Act for key over-arching electoral functions. These functions include providing information and advice to the Assembly, the Speaker, the Minister responsible for electoral matters (the Attorney General), the Executive, agencies, political parties, Members of the Legislative Assembly (MLAs) and candidates; conducting education and information programs; conducting research; publishing electoral material; providing fee-for-service electoral goods and services; and conducting ballots for prescribed organisations. The Commission is also responsible for undertaking key electoral roles, such as taking part in the electoral boundaries redistribution process; and sitting as a review body where appeals are made challenging decisions made by the Commissioner or the Commissioner's delegates.

The Electoral Commissioner serves in a dual capacity as both a member of the Commission and as a statutory officer holder with independent powers and functions. The Commissioner is the chief executive officer of the Commission. In that role, the Commissioner manages the operations of the Commission under the guidance and direction of the full Commission, and undertakes some of the Commission's functions as the Commission's delegate. The Commissioner also has specific functions under the Electoral Act and other legislation that are given solely to the Commissioner. These include responsibility for most of the procedures

related to the conduct of ACT Legislative Assembly elections and (in conjunction with the Australian Electoral Commission (AEC)) the maintenance of the ACT electoral roll, as well as registration of political parties and administering the election funding, expenditure and financial disclosure scheme.

The Commissioner is assisted by staff employed under the *Public Sector Management Act 1994* and under the Electoral Act. For simplicity, the office of the Commissioner and the Commissioner's staff are referred to under the operating title of Elections ACT. The Commissioner and the staff of Elections ACT perform functions that are the responsibility of the Commissioner and perform some functions on behalf of the Commission.

Legislative framework

The Commission and the Commissioner are responsible for the conduct of elections and referendums and for the provision of electoral advice and services under the following legislation:

- *Aboriginal and Torres Strait Islander Elected Body Act 2008*;
- *Australian Capital Territory (Legislative Assembly) Act 2014*;
- *Electoral Act 1992*;
- *Electoral Regulation 1993*;
- *Magistrates Court (Electoral Infringement Notices) Regulation 2012*;
- *Proportional Representation (Hare-Clark) Entrenchment Act 1994*;
- *Referendum (Machinery Provisions) Act 1994*; and
- *Veterinary Surgeons Regulation 2015*.

Organisational structure

The ACT Electoral Commission consists of a Chairperson, the Electoral Commissioner and a third Member.

Table 1 — Members of the ACT Electoral Commission

Ms Dawn Casey <i>Chairperson</i> ¹ Appointed on 20 April 2017 until 19 April 2022
Mr Phillip Green <i>Electoral Commissioner</i> Reappointed until 31 March 2020
Mr Philip Moss AM <i>Member</i> ² Appointed on 7 June 2017 until 6 June 2022

Note: This table shows appointments in force on 30 June 2016.

Note 1: Mr Roger Beale AO served as Chairperson until 3 April 2017.

Note 2: Ms Dawn Casey served as Member until 19 April 2017.

From 1 July 2014, the Speaker became responsible for appointing Commission Members as officers of the Legislative Assembly. The current Electoral Commissioner was reappointed by the Speaker under the Electoral Act in April 2015. The current Chairperson was appointed by the Speaker in April 2017 and the Member of the Commission was appointed by the Speaker in June 2017.

As chief executive officer of the Commission, the Electoral Commissioner is remunerated as a full-time office holder. The Chairperson and the other Member of the Commission are remunerated as part-time office holders. Remuneration for the Members is determined by the ACT Remuneration Tribunal.

The Electoral Commissioner has head of service and director-general powers under the Public Sector Management Act in relation to staff employed to assist the Commissioner. These staff, acting under the direction of the Commissioner, have been brought together under the operating title Elections ACT.

The Commissioner may also employ casual staff and engage consultants under the Electoral Act, on terms and conditions determined by the Commission.

The Commissioner was assisted throughout 2016/2017 by eight permanent officers employed under the Public Sector Management Act, together with a number of other staff employed under the Public Sector Management Act and the Electoral Act, and officers seconded from other organisations and directorates, on a temporary or casual basis to undertake tasks associated with the 2016 ACT Legislative Assembly election, or to assist the Commissioner as necessary.

For more information on the Elections ACT staff positions see **Human resources management** on page 45.

Elections ACT's corporate plan, mission, vision and values

Elections ACT's mission is:

To provide the ACT community with high quality electoral services that ensure fair and open elections and referendums.

Elections ACT provides services to a wide and diverse range of clients, including ACT electors, the Speaker, the Attorney General, Members of the Legislative Assembly, political parties, election candidates, ACT Government agencies, the media and special interest groups.

Elections ACT's most important function is to conduct elections for the Legislative Assembly. An election for the Assembly was held on 15 October 2016. The next election will be held on 17 October 2020.

Other tasks carried out by Elections ACT include electoral education, maintaining the register of political parties and the election funding, expenditure and financial disclosure scheme, assisting with redistributions of electoral boundaries, working with other electoral authorities to improve the accuracy of the electoral roll and providing electoral services to other organisations on a fee-for-service basis.

Elections ACT staff reviewed the Elections ACT corporate plan in 2012/2013 and developed a new plan for the 2013-2017 period. The corporate plan is due to expire in 2017 and will be reviewed by Elections ACT before the end of the calendar year.

The corporate plan includes a vision statement as well as a statement of values and guiding principles. The vision articulates Elections ACT's longstanding commitment to *continuous improvement through innovation and leadership*.

The values statement formally adopts the ACTPS values and behaviours of *respect, integrity, collaboration and innovation*.

The guiding principles recognise the special nature of Elections ACT's role as an independent electoral authority, adopting the guiding principles of *transparency, accessibility, impartiality and independence*.

The corporate plan is set out below. The **Performance analysis** section of this annual report follows the structure of goals and key result areas set out in the corporate plan for reporting purposes.

Elections ACT Corporate plan 2013-2017

MISSION
To provide the ACT community with high quality electoral services that ensure fair and open elections and referendums.
VISION
Continuous improvement through innovation and leadership.
VALUES
The ACTPS values and behaviours of respect, integrity, collaboration and innovation
GUIDING PRINCIPLES
Transparency, accessibility, impartiality and independence.

Goal 1	To conduct high quality elections and referendums
Key result areas:	1.1 Elections for the ACT Legislative Assembly
	1.2 Election and referendum services to other agencies
Goal 2	To provide high quality electoral information, education, advice and services
Key result areas:	2.1 Electoral information and advice
	2.2 Electoral enrolment
	2.3 Electoral education
	2.4 Electoral boundaries
	2.5 Party registration
	2.6 Election funding, expenditure and financial disclosure
Goal 3	To support high quality electoral services by effective management
Key result areas:	3.1 Human resources management
	3.2 Financial management
	3.3 Records management
	3.4 Information/communication technology management

The *Corporate plan 2013–2017* is underpinned by more detailed operational plans.

Performance indicators

Formal budget paper performance indicators

As a result of the establishment of the Commission members as officers of the Legislative Assembly under amendments made by the *Officers of the Assembly Legislation Amendment Act 2013*, from 1 July 2014, the Commission was no longer required to include performance indicators in the budget papers.

For the purpose of its annual reports, the Commission has adopted the range of performance indicators listed below.

Agency performance indicators

Following the conclusion of the 2016 ACT Legislative Assembly election, the Commission reviewed the relevance of the election-related performance indicators and proposed to remove the performance target related to voter turnout expressed as a percentage of enrolment. With enrolment levels close to 100%, this measure is effectively little different to expressing voter turnout as a percentage of eligible population. However, as enrolment levels have fluctuated over time, measuring voter turnout as a percentage of enrolment over a series of past elections can give a misleading impression that turnout has not improved when measured in this way. Therefore, the Commission considers a better measure of voter turnout is to simply measure turnout as a percentage of the eligible elector population.

The highest level of voter turnout as a percentage of eligible elector population achieved at the last 4 ACT elections was the 88.3% achieved at the recent 2016 election. This outcome met the performance target adopted by the Commission of 88%. Given that it would be desirable to aim for an increase in participation rates, the Commission is increasing this target to 90% for the 2020 election.

The Commission maintains the following performance indicators for reporting purposes.

Further discussion of the Commission's performance against these measures is included in **Performance analysis** from pages 16 to 49.

Goal 1 – Elections and referendums

Objectives	Measures	Target	Outcomes
Timely finalisation of election result of Legislative Assembly election ¹	Date of announcement of election result	<14 days from polling day in an election year	The result was finalised 7 days after polling day
High level of voter turnout at ACT Legislative Assembly elections ¹	Turnout as a percentage of eligible elector population ²	>88% of eligible elector population in an election year ³	Turnout was 88.3% of eligible elector population
	Turnout as a percentage of enrolment ⁴	>92% of enrolment	Turnout was 88.5% of enrolment
Increase voter turnout at Legislative Assembly elections	Participation rates (% voter turnout to eligible elector population)	Increase over time	Turnout 2016 election: 88.3% Turnout 2012 election: 83.9% Turnout 2008 election: 87.7% Turnout 2004 election: 86.7%
	Participation rates (% voter turnout to number enrolled)	Increase over time	Turnout 2016 election: 88.5% Turnout 2012 election: 89.3% Turnout 2008 election: 90.4% Turnout 2004 election: 92.8%
Increase formal voting at Legislative Assembly elections	Formal voting rates	Increase over time	Formal voting 2016 election: 97.5% Formal voting 2012 election: 96.5% Formal voting 2008 election: 96.2% Formal voting 2004 election: 97.4%
Deliver service within timeline targets	Timelines met ⁵	All timelines met	All timelines met

Goal 2 – Information, education, advice and services

Objectives	Measures	Target	Outcomes
High level of electoral enrolment	Participation rate	>95% of eligible population	Enrolment was 99.8% of eligible population ⁶
Maintain high client satisfaction	Feedback from clients/electors	All clients express satisfaction	98% of voters surveyed expressed satisfaction with their overall voting experience; feedback from teachers and adult participants regarding electoral education services was positive; all fee-for-service election clients expressed satisfaction
Manage registration of political parties	Statutory requirements met	All statutory requirements met	All statutory requirements met
Redraw electoral boundaries for each election	Statutory requirements met	All statutory requirements met	A redistribution of electoral boundaries did not occur during the reporting year. The most recent redistribution commenced in October 2014 and concluded in May 2015. All relevant statutory requirements were met.

Goal 3 – Effective management

Manage costs within budget allocations	Budget met	Expenditure within allocation	Operating result was a deficit of \$0.375m for 2016/2017 (noting that of the total appropriation amount of \$7.625m only \$7.007 was drawn)
Maintain high staff satisfaction	Performance management feedback	High staff satisfaction	High staff satisfaction recorded in 2016/2017
Manage and improve ICT business systems	Absence of ICT business systems failures	No ICT business systems failures	No ICT business systems failures were identified ⁷

Note 1: These measures only apply in a Legislative Assembly election year.

Note 2: Eligible elector population (EEP) is calculated every quarter by the Australian Electoral Commission, using base data provided by the Australian Bureau of Statistics and applying a method developed by the AEC in conjunction with the Australian Bureau of Statistics. The EEP is an estimate of the number of persons who are eligible to be enrolled at any point in time, and is calculated using post-censal estimates based on the latest census data updated by birth and death registrations, and estimated interstate and overseas migration. The estimate is recalculated after each census.

Note 3: The performance measure for turnout as a percentage of eligible elector population will be increased to 90% for the 2020 election. The measure in place for the 2016 election was 88%.

Note 4: The Commission has agreed to remove the performance target related to voter turnout expressed as a percentage of enrolment for the 2020 election.

Note 5: Elections ACT's timeline targets are:

- All statutory deadlines will be met.
- Election results will be finalised for:
 - General elections and referendums for the ACT Legislative Assembly (where a recount is not needed): within 14 days from polling day;
 - General elections and referendums for the ACT Legislative Assembly (where a recount is needed): within 21 days from polling day;
 - A count back to fill a casual vacancy in the Legislative Assembly: within 1 week from the date applications to contest the vacancy close; and
 - Other elections and referendums where the ACT Electoral Commission is responsible for providing election results: within 1 week from the close of the poll.

Note 6: As at close of rolls (16 September 2016) for the 2016 ACT Legislative Assembly election.

Note 7: Refer to page 54 of *Report on the ACT Legislative Assembly election 2016* for discussion of election result website issues.

Performance highlights

The greatest challenge and achievement of the 2016/2017 year was the successful conduct of the 15 October 2016 ACT Legislative Assembly election. Notable aspects of the election included:

- Implementing the increase in the size of the Assembly from 17 MLAs to 25 MLAs, elected from 5 electorates each returning 5 MLAs;
- Facilitating the election of the first parliament in Australian history with a majority of female members, with 13 female MLAs elected;
- The nomination of the highest number of candidates ever to contest an ACT election, with 141 candidates contesting the election (the previous highest number was 117 at the first election held in 1989);
- Taking the highest number of votes in an ACT election – 250,460 (compared to 229,125 in 2012);
- Successful expansion of electronic voting facilities to 81,538 voters – over 32.5% of all voters (compared to 59,200 in 2012);
- Having the most complete electoral roll for an ACT election, with 99.8% of the estimated eligible population enrolled, including historic levels of enrolment of 18-24 year olds;
- Achieving the highest level of voter turnout of the last 4 elections, when measuring voter participation as a proportion of the estimated eligible population – 88.3%;
- Having the highest number of eligible electors for any ACT election – 283,162 (compared to 256,702 in 2012)
- Recording the lowest ever rate of informal voting at an ACT election, with only 2.5% of votes counted as informal;
- Continued use of networked computers to provide electronic electoral rolls, enabling the transmission of marked-off voter names to all rolls across the ACT;
- Using intelligent character recognition software for the capturing and counting preferences marked on paper ballot papers;
- Continued provision of secret unassisted voting facilities for blind and vision impaired people using electronic voting;
- Conducting an extensive public information campaign;
- The use of SMS messages as a medium to inform electors of their enrolment in new ACT electorates;
- High voter satisfaction with electoral services – 96% of surveyed voters expressing satisfaction with their overall voting experience;
- Discontinuing the provision of a Tally room on election night;
- Finalising the election result in record time;
- Serving a record number of voters using early voting centres – 84,273 (compared to 61,660 in 2012);
- Use of an improved display of election results on the internet;

- Implementing the funding, expenditure and financial disclosure provisions, including caps on the amount of expenditure that could be incurred on ACT elections, frequent disclosure of gifts received, and payments to political parties with Assembly representatives for administrative purposes;
- Payment of a record amount in public funding to parties and candidates - \$1,716,784, following an increase in the rate of funding from \$2 per vote to \$8 per vote; and
- The conduct of a performance audit of the conduct of the 2016 ACT Legislative Assembly election by the ACT Auditor General's Office, indicating that the election was conducted effectively.

Another noteworthy feature of the 2016 election was the lodgement of the first application disputing an election result in the history of ACT Legislative Assembly elections. A person lodged an application with the Court of Disputed Elections in December 2016 disputing the election result in the electorate of Yerrabi on the basis of the rejection of his nomination by the Commissioner. On 28 March 2017, the applicant sought leave to withdraw his application, which was granted by Justice Burns on 28 March 2017.

In addition to the conduct of the 2016 election, other activities undertaken during the year included:

- The completion of the Commission's detailed *Report on the ACT Legislative Assembly election 2016*, including recommendations for changes to the Electoral Act, and tabling of the report in the Assembly on 21 March 2017;
- Lodgement of Commission submissions to the Assembly Select Committee inquiry into the conduct of the 2016 election and the Electoral Act;
- Conducting ongoing election financial disclosure scheme compliance reviews;
- The commencement of the fourth election for the Aboriginal and Torres Strait Islander Elected Body in May 2017 (this election concluded in July 2017 outside of the reporting period);
- The conduct of 2 casual vacancies in the Aboriginal and Torres Strait Islander Elected Body;
- The conduct of a casual vacancy countback for the electorate of Brindabella following the resignation of Mr Brendan Smyth MLA from the Assembly in July 2016, resulting in the election to the Assembly of Mr Val Jerffery MLA on 29 July 2016;
- Continuing the Commission's non-parliamentary fee-for-service election program: conducting an employee ballot, 2 enterprise agreement ballots, a ballot for the Australian National University; and conducting scrutinies for 2 ACT based organisations;
- Providing pre-poll voting facilities for 2 State general elections, a Tasmanian Legislative Council election and a New South Wales by-election;
- Finalising the processing of applications to register political parties that were received just before the close of the register to new parties on 30 June 2016;
- Working with the AEC to arrange electoral roll stimulation activities in the lead-up to the 2016 Legislative Assembly election;
- Commencing a major review into electronic voting in the ACT;
- Continuing to work with the Electoral Council of Australia and New Zealand to improve electoral roll maintenance procedures and election related activities;

- Commencing collaboration with the other members of the Electoral Council of Australia and New Zealand on the development of a national internet voting system;
- Moving back to permanent accommodation located in the North Building in Canberra City following a relocation to larger accommodation to house the additional staff and equipment required for the 2016 election; and
- Continuing the schools based electoral education program.

The Chairperson of the Commission, Mr Roger Beale AO retired in April 2017 after a period of 10 years in the role. Ms Dawn Casey was appointed as Chairperson on 20 April 2017 following a merit-selection process, having previously served in the Member role of the Commission. The members of the Commission and the staff of Elections ACT extend their thanks and appreciation to Mr Beale for his careful consideration of issues and leadership in embracing innovation during his time as Chairperson.

Outlook

The principal focus of the Commission and Elections ACT in 2017/2018 will be on the long term planning for the 2020 Assembly election.

One of the main activities will be commencing examination of options for the upgrade of Elections ACT's ICT election systems. While the systems in place for the 2016 election operated successfully, with the four years between elections and the rapid changes in technology since the most recent review, it is important that systems be reviewed and upgraded in preparation for 2020. On 26 June 2017, the Electoral Commission received approval for the transfer of controlled recurrent payments to an appropriation of capital injection. This transfer will facilitate a number of identified ICT upgrade projects that will be undertaken in 2017/2018. This includes work on the electronic voting system eVACS®, the polling place management system LAPPERDS, and the online fee-for-service voting system netVote.

In its report into the 2016 ACT election, the Commission committed to investigating a limited electronic voting option for electors who are overseas. The Commission intends to report back to the Assembly on this matter during the forward reporting period.

In the 2017/2018 reporting period, the Commission will review and commence implementation of the recommendations made by the ACT Auditor General in the performance audit report into the conduct of the 2016 ACT election.

Following the recommendation made by the Auditor General to develop a strategy to foster an increase in electronic voting in the ACT, Elections ACT commenced a major review into electronic voting in the ACT in May 2017. Elections ACT intends to commence work on implementing strategies and recommendations emanating from this review during the 2017/2018 reporting year.

Elections ACT will also follow up on the recommendations made by the Commission in its detailed report to the Assembly on the 2016 election, tabled on 21 March 2017. The Commission will provide advice as required to the Government and the Assembly on any proposed changes to the Electoral Act.

In 2017/2018 the Commission will continue to provide advice on recommendations emanating from the Assembly's Select Committee inquiry into the conduct of the 2016 election and the Electoral Act. The Commission made a number of submissions on a range of issues to the Committee inquiry, and the deadline for public submissions closed on 30 June 2017. It is anticipated that the Commission will publish a further report to the Assembly outlining its response to the Committee's recommendations and making further recommendations for changes to the Electoral Act.

The 2017 Aboriginal and Torres Strait Islander Elected Body election, which commenced in May 2017, is a significant and complex election for Elections ACT. While the preparations for the election began in the current reporting period, the election concluded with the conduct of polling and scrutiny in July 2017, during the forward reporting period.

ACT government agency enterprise agreements expired at the end of June 2017. It is expected that agreement ballots will commence in the 2017/2018 reporting year. It is anticipated that the Commission's netVote system will again be deployed for these ballots.

Elections ACT will undertake a review its 2013/2017 Corporate plan and develop a plan for the period 2018/2021.

During 2017/2018 the Commission will continue to provide advice to the Speaker, the Government and Members of the Legislative Assembly on electoral matters as required. Elections ACT will also continue its usual program of conducting fee-for-service elections, conducting audits of compliance with the election financial disclosure scheme and provision of electoral education and information services to the ACT schools and community.

The Commission will continue to play an active role within the Electoral Council of Australia and New Zealand, with a likely focus on the future of internet voting in Australia during the 2017/2018 reporting period.

Internal accountability

As a very small agency, the Commission does not have complex internal accountability structures and processes.

The full Commission, consisting of the Chairperson, the Electoral Commissioner and the Member, oversees the operation of the Commission, sets strategic directions and approves reports to the Legislative Assembly.

Under the Electoral Act, the Commission is also responsible for undertaking internal reviews of a range of decisions that can be made in the first instance by the Commissioner or by his or her delegate.

The Electoral Commissioner chairs a 4-person redistribution committee, with responsibility for taking public submissions and proposing electoral boundaries. The full Commission forms part of the Augmented Electoral Commission, together with the other members of the redistribution committee. The Augmented Electoral Commission considers objections to proposed electoral boundaries and makes final determinations of electorate names and boundaries.

The Electoral Commissioner performs the statutory role of chief executive officer of the Commission. The Commissioner is empowered to make a wide range of decisions under the Electoral Act and the Public Sector Management Act. The Commissioner generally approves all major projects undertaken by Elections ACT staff, including contracts, legislative instruments, publications and memorandums of understanding for fee-for-service elections. The Commissioner also carries full director-general functions under the *Financial Management Act 1996*. The Commission has delegated a range of its functions to the Commissioner and the staff of the Commissioner, subject to the Commission's overall strategic direction.

The Deputy Electoral Commissioner performs a range of management functions in support of the Commissioner, including registrar of political parties, executive secretary to the Commission and senior executive responsible for business integrity risk (SERBIR). The Deputy Electoral Commissioner carries a standing delegation to perform the Commissioner's functions should the Commissioner be unavailable.

After consulting with the Speaker, the Electoral Commissioner has made an instrument under the Electoral Act appointing the Deputy Electoral Commissioner to act as the Electoral Commissioner during any period when the Electoral Commissioner is absent on approved leave of absence for longer than five working days.

The Commission's management structure is described under **Organisational Structure** on page 3. Details of the Commission's corporate and operational plans can be found at **Corporate plan 2013-2017** on page 4. Details of the Commission's performance reporting arrangements can be found at **Performance indicators** at page 6.

Remuneration of the Commission members is determined by the ACT Remuneration Tribunal.

A steering committee is established for every Legislative Assembly election to oversee the Elections ACT ICT projects, consisting of the Electoral Commissioner, the Deputy Electoral Commissioner, the Elections ACT elections operations manager and senior representatives from Shared Services ICT. Following the 2016 election, the committee agreed to remain engaged and provide ICT guidance during the years between the 2016 and 2020 elections.

In accordance with the ACT Government Internal Audit Framework, the Commission has considered the need for an internal audit committee taking into consideration the organisation's small size, its relative lack of organisational complexity, its overall risk profile, its history of past issues and incidents, cost benefits and existence of alternative mechanisms. The Commission concluded that it is not practicable or cost effective to establish an internal audit committee.

In 2015/2016 the Commission adopted an internal audit charter and strategy. The Commission determined that the internal audit function will be undertaken by contracted professional internal audit service providers. A work plan was developed with the internal audits scheduled to commence in 2016/2017.

However, a detailed audit on the planning for, and conduct of, the 2016 ACT election was conducted by the Auditor General during the 2016/2017 reporting period. The audit reviewed all major aspects of electoral legislative compliance, election preparation and system implementation. Taking this into consideration, as well as the need for Elections ACT to focus its full attention on the conduct of the election, the Commission determined to delay the commencement of the internal audit process until the 2017/2018 financial year.

This process will be overseen by the full Commission at a strategic level and implemented by the Electoral Commissioner with the assistance of the Deputy Electoral Commissioner, the chief finance officer and the finance manager.

Contact officer

For further information about the ACT Electoral Commission and any matters raised in this annual report, contact:

The Electoral Commissioner
ACT Electoral Commission

Ground Floor, North Building
Civic Square, London Circuit
Canberra City ACT 2601

Telephone: (02) 6205 0033

Fax: (02) 6205 0382

Or write to:
PO Box 272, Civic Square ACT 2608

Or email:
elections@act.gov.au

Website:
www.elections.act.gov.au

B.2 Performance analysis

This section reports on activities undertaken in each key result area in 2016/2017 to achieve the Commission's goals.

Goal 1 - To conduct high quality elections and referendums

Key result area 1.1

Elections for the ACT Legislative Assembly

The conduct of the 2016 ACT Legislative Assembly election

The October 2016 Legislative Assembly election was the major focus of the Commission's activities during the 2016/2017 reporting period.

It is the aim of the ACT Electoral Commission to improve upon the services it provides at each ACT Legislative Assembly election. Many of the achievements from the 2012 election were consolidated on by the Commission at the 2016 election, with a number of further innovations introduced. Of note, was the introduction of an improved election results display system, introducing a dashboard graphical display which presented up to the minute data on voter turnout, the current top five parties by electorate, the current top five candidates by electorate, swing data and total vote counts for each party. Of further note was the continued use of an electronic polling place management system, incorporating the networked marking of names of voter on electronic electoral rolls across all polling places and the continued provision of electronic voting. In 2016 nearly 1 in 3 ACT voters cast their vote electronically.

These improvements and innovations helped Elections ACT to provide a high standard of electoral services to the largest number of ACT electors at an ACT Legislative Assembly election. The result of the election was provided in the shortest time, beating the 2012 election record, which itself beat the 2008 election record. This was achieved against a background of an additional requirement to count five electorates as opposed to the three electorates of earlier elections. The final result for the election was announced in the afternoon of Saturday 22 October 2017, one week after polling day.

Table 2 — 2016 election statistics

Details	2016 election
Total enrolment	283,162
Votes admitted to the count	250,460
Number of apparent non-voters	33,113

Table 3 — Candidates elected by party and electorate

Group	Brindabella	Ginninderra	Kurrajong	Murrumbidgee	Yerrabi	Total
Animal Justice Party						
Australian Labor Party (ACT Branch)	2	3	2	2	3	12
Australian Sex Party ACT						
Canberra Community Voters						
Liberal Democratic Party						
Liberal Party of Australia (A.C.T Division)	3	2	2	2	2	11
Like Canberra						
Sustainable Australia (ACT)						
The ACT Greens			1	1		2
The Community Alliance Party (ACT)						
Other						
Total	5	5	5	5	5	25

Notable features of the election are listed under **Performance highlights** on page 10

The Commission presented its detailed *Report on the ACT Legislative Assembly Election 2016*, prepared under section 10A of the Electoral Act, to the Speaker on 16 March 2017, and the report was tabled in the Assembly on 21 March 2017. The report includes detailed analysis of the conduct of the 2016 election and makes recommendations for changes to electoral legislation with a view to preparations for and the conduct of the 2020 ACT Legislative Assembly election.

This annual report includes a summary and highlights of the conduct of the election. For more detailed information on the election refer to the election report and the *Election Statistics for the election*, published on 22 February 2017.

The key dates for the 2016 election are shown in the following table:

Table 4 — Key election dates

Event	Date
Last day to lodge applications for party registration	30 June 2016
Close of register of political parties	8 September 2016
Pre-election period commenced and nominations opened	9 September 2016
Rolls closed	16 September 2016 (8pm)
Nominations closed	21 September 2016 (12 noon)
Nominations declared and ballot paper order determined	22 September 2016 (12 noon)
Pre-poll voting commenced	27 September 2016
Pre-poll voting concluded	14 October 2016
Polling day	15 October 2016
Last day for receipt of postal votes	21 October 2016
Election result announced	22 October 2016
Declaration of the poll	26 October 2016

Innovative use of information and communications technology in the 2016 election

Since the conduct of the Commission's first election in 1995, Elections ACT has progressively introduced a range of information and communications technologies aimed at better, faster electoral services to the ACT community. Elections ACT has led Australia in the adoption of many electoral ICT innovations, including electronic voting, ballot paper scanning and electronic polling place management systems.

In 2016, Elections ACT consolidated on the achievements from previous elections, through improvements to, and continued provision of, each of these technologies, as well as introducing a number of smaller innovations aimed at increasing and improving elector participation and experience. Innovations such as the introduction of video display screens in each polling place used to display a silent, looped video aimed at visually demonstrating the process of casting a formal vote. It is likely that this innovation contributed to the lowest rate of informality ever achieved at an ACT election. Elections ACT also introduced a web training portal for polling officials, providing our staff with an early opportunity to practice issuing a vote on our electronic electoral rolls.

The 2016 election also saw the extension of electronic voting to around 1 in 3 of all ACT voters, the continued use of online applications for postal votes, online casual employment processes, a fully web-based polling official training system, and the use of ACT government wifi networks to facilitate the transmission of electronic roll marks and results on polling night. As has been the case in all past ACT Legislative Assembly elections, ICT was also used extensively in office applications.

These innovations are discussed further in the *Report on the ACT Legislative Assembly Election 2016*.

These innovations contributed to the provision of effective and efficient electoral services to the greatest number of ACT electors since self-government was introduced, with the result provided in the shortest possible time. The final result for the election was announced on Saturday, 22 October 2016, seven days after polling day. This achievement reflects the productivity and accuracy which comes with effective use of technology.

Community education campaign for the 2016 election

The Commission undertook an extensive communication campaign to ACT electors leading up to the 2016 election. The campaign included:

- Informing ACT electors that there would be an election for the ACT Legislative Assembly on 15 October 2016;
- Informing electors of the 5 new electorates in the ACT and that there were new electoral boundaries and providing information on how to find information on which electorate was relevant to them;
- Informing potential electors when and how to enrol before the electoral roll closed;
- Ensuring the public was aware that voting is compulsory;
- Providing information about how to cast a valid and informed vote (including an explanation of the implications of preference choices, such as numbering only one box, numbering the number of boxes for which there are seats in the electorate, or giving preferences to as many candidates as the electors wish);

- Providing information about the physical requirements of the election, like where to vote, when to vote, what to do in special circumstances (including information on pre-poll voting, postal voting and voting at polling places on polling day);
- Informing voters of the 100-metre ban on political canvassing outside polling places; and
- Informing voters that electronic voting was available at pre-poll voting centres and equipping voters to use this method of voting.

The campaign also included providing information to political parties and potential candidates to ensure they understood the requirements they needed to meet in order to actively participate in the election.

Elections ACT also held media information sessions aimed at providing members of the media with a general overview of important aspects of the election process including details on campaign finance legislation, authorisation requirements, critical election timetable dates and times, the Hare-Clark electoral system and voting and polling place information.

The Commission worked closely with ACT Publishing Services to modernise the look and feel of the election information campaign, incorporating new branding for the 2016 election and introducing a new key message – ‘Your Canberra. Your Voice.’

Detailed information about the information campaign and the findings of the market research can be found in the Commission’s *Report on the ACT Legislative Assembly Election 2016*.

Casual vacancy in the ACT Legislative Assembly

On 15 July 2016 the Speaker of the ACT Legislative Assembly informed the Electoral Commissioner that Mr Brendan Smyth MLA had that day resigned his office as Member for the electorate of Brindabella in the Assembly.

On 18 July 2016 the Commissioner published a notice in *The Canberra Times* inviting unsuccessful candidates who stood for the Brindabella electorate at the 20 October 2012 election to apply to contest the vacancy.

At 12:30 pm on 28 July 2016 the Commissioner publicly declared that 6 candidates had applied to contest the casual vacancy.

As more than one candidate had applied to contest the vacancy, the Commissioner conducted a recount of the ballot papers counted for Mr Smyth at the 2012 election immediately after the declaration of the candidates. At the completion of the recount, including the distribution of preferences using the eVACS® electronic counting system, with a quota for election of 5014 votes, Mr Val Jeffery had received 8566 votes. The count of votes to decide the vacancy was conducted in a matter of minutes using the eVACS® system.

Key result area 1.2

Election and referendum services to other agencies

Interstate elections

Elections ACT provided over-the-counter pre-poll voting, postal vote applications, postal ballot papers and enquiry services for interstate electoral authorities in 2016/2017. Details of these elections are shown in Table 5.

Table 5 — Interstate elections

Election	Polling day	Assistance provided	Votes
Northern Territory general election	26/08/16	Pre-poll voting	11
New South Wales state by-election (Canterbury, Orange and Wollongong)	12/11/16	Provision of i-vote brochures and access to an online voting terminal	N/A
Western Australia state general election	11/03/17	Pre-poll voting	239
Tasmania – Legislative Council (Launceston, Murchison and Rumney)	6/05/17	Pre-poll voting	0
Total			250

Statutory elections

In addition to elections for the ACT Legislative Assembly, the Electoral Commissioner is required to conduct elections for specified statutory bodies: the Aboriginal and Torres Strait Islander Elected Body and the ACT Veterinary Surgeons Board.

Aboriginal and Torres Strait Islander Elected Body election

The *Aboriginal and Torres Strait Islander Elected Body Act 2008* provides for the conduct of elections for the Aboriginal and Torres Strait Islander Elected Body every three years. The first election for the Elected Body was held in 2008. Further elections have been held in 2011 and 2014. The fourth election for the Elected Body commenced in this reporting year, with nominations opening on 15 May 2017 and closing on 29 May 2017. At the declaration of nominations on 30 May 2017, the Acting Electoral Commissioner announced that 25 candidates were contesting the seven vacant positions on the Elected Body.

Voting took place after the current reporting period in July 2017. The results of the election will be reported in the 2017/2018 annual report.

Aboriginal and Torres Strait Islander Elected Body casual vacancies

Two Aboriginal and Torres Strait Islander Elected Body casual vacancies were administered by the office of the Commissioner during the 2016/2017 reporting period.

Following the resignations of Ms Diane Collins, on 28 July 2016 and Ms Tjanara Goreng Goreng on 2 August 2016 the Deputy Chairperson of the Aboriginal and Torres Strait Islander Elected Body notified the Electoral Commissioner that casual vacancies within the Elected body had occurred.

In accordance with the requirements of the Electoral Act 1992, as applied by the *Aboriginal and Torres Strait Islander Elected Body Act 2008*, on 5 August 2016 a notice was published in the Canberra Times inviting unsuccessful candidates who stood for the 2014 election to apply to contest these two vacancies.

By the close of the nomination period on 15 August 2016, no applications to contest the vacancies had been received.

In accordance with the Act the vacancies were filled by Ministerial appointment on 16 February 2017.

ACT Veterinary Surgeons Board elections

Following the commencement of national health professionals boards on 1 July 2010, the only remaining health professionals board within the ACT that uses Elections ACT's services for the running of its elections is the ACT Veterinary Surgeons Board. The most recent election for this Board was completed in October 2013. The next election is due to be held in August 2017.

Fee-for-service electoral services

Elections ACT conducts elections and provides other electoral services for other organisations under the Commission's power to provide services for determined fees.

Australian National University Union Board of Directors election

Elections ACT assisted with the annual election of the Australian National University Union (ANU Union) Board of Directors in 2016-17.

Polling for the ANU Union elections was conducted from 20-23 March 2017. Final results were determined on 24 March 2017.

For this election, Elections ACT provided assistance with receipt and checking of nominations, preparation and printing of ballot papers, operation of polling places at the ANU and the conduct of the count.

Detail of this election is shown in Table 6.

Table 6 — Australian National University elections

Election	Vacancies	Candidates	Votes
ANU Union election of 4 directors	4	7	259
Total	4	7	259

Enterprise agreement ballots

Elections ACT conducted two enterprise agreement ballots for a non-ACT government agency in 2016/2017.

The ballots were conducted on behalf of Aboriginal Hostels Limited using the postal system.

The result of the first ballot was challenged based on the length of the voting period. A second ballot was subsequently requested by the organisation.

Details of these enterprise agreement ballots are shown in Table 7.

Table 7 — Enterprise agreement ballots

Election	netVote election	Polls closed	Result provided	Votes
Aboriginal Hostels Limited	No	20/02/17	20/02/17	154
Aboriginal Hostels Limited	No	05/06/17	05/06/17	153
Total				307

Other elections

Elections ACT assisted with the scrutiny of elections other than those listed above.

A Correctional Officers employee ballot was held using the postal system as well as monitored ballot boxes in location at the Alexander Maconochie Centre. Eligible electors were asked to vote on specific work conditions. Voting required a Yes/No response.

The Canberra Southern Cross Club Board of Directors and the National Press Club Board of Directors elections were also held in 2016/2017. Only services in conducting the count were required for these two ballots.

Details of these elections are shown in Table 8.

Table 8 — Other elections

Election	Vacancies	Candidates	Polls closed	Result provided	Votes
Correctional Officers employee ballot	N/A	N/A	09/09/16	09/09/16	166
Canberra Southern Cross Club Board of Directors	3	4	30/09/16	30/09/16	539
National Press Club of Australia	4	7	01/12/16	02/12/16	188
Total					893

Internet resources for the conduct of elections

A series of documents to guide organisations through their own elections is available on the Elections ACT website, including:

- Principles for conducting elections;
- Sample electoral regulations;
- Pro-forma ballot papers; and
- A scrutiny spreadsheet to facilitate the count process.

Goal 2 - To provide high quality electoral information, education, advice and services

Key result area 2.1

Electoral information and advice

Information service

Elections ACT provides an ongoing information service to the general public through:

- Providing information in person over the counter, by telephone, email and social media;
- Publishing a range of information booklets and pamphlets in paper and electronic format;
- Answering written correspondence; and
- Maintaining a comprehensive website.

Publications

The following items were published and/or updated in 2016/2017:

- *ACT Electoral Commission Annual Report 2015/2016;*
- *Election statistics: ACT Legislative Assembly election 2016;*
- *Report on the ACT Legislative Assembly election 2016;*
- *ACT election 2016 - Information for voters pamphlet;*
- *ACT election 2016 - Election guide pamphlet;*
- *ACT election 2016 - Candidate information handbook;*
- *ACT election 2016 - Scrutineer information handbook;*
- *ACT election 2016 - Bilingual brochure (12 languages);*
- *Election funding, expenditure and financial disclosure 2016/2017 handbook and related forms;*
- *Easy english guide - Vote in the ACT election;* and
- Three new factsheets:
 - *Electoral information for families and carers of people with a disability;*
 - *Electoral information for ACT voters experiencing homelessness;* and
 - *Electoral information for homelessness agency workers.*

In addition, the following are available from the Commission:

- ACT Electoral Commission Annual Reports since 1992/1993;
- Election statistics for the 1989, 1992, 1995, 1998, 2001, 2004, 2008 and 2012 elections;
- Reports on the conduct of the election and the operation of the Electoral Act for the 1995, 1998, 2001, 2004, 2008 and 2012 elections;

- *The 2001 ACT Legislative Assembly Election: Electronic Voting and Counting System Review;*
- *The 2004 ACT Legislative Assembly Election: Electronic Voting and Counting System Review;*
- Election guides and Information for voters pamphlets for the 2004, 2008, and 2012 elections;
- Scrutineer Information handbooks for the 2004, 2008, and 2012 elections;
- Candidate Information handbooks for the 2004, 2008, and 2012 elections;
- Redistribution reports, public submissions and statistics for the 1993, 1996, 2000, 2003, 2007, 2011 and 2015 redistributions;
- Information brochure on voting in the ACT for new citizens;
- Maps of ACT electorates;
- Various electoral enrolment and voting forms;
- Information factsheets;
- A series of factsheets for primary students;
- Customer commitment statement;
- Freedom of information statements; and
- Electronic voting and counting data from the 2001, 2004, 2008 and 2012 ACT elections available for free download from the Elections ACT website and on CD-ROM (on request and payment of fee).

Internet

The Elections ACT website address is **www.elections.act.gov.au**.

Information and services provided on the website in 2016/2017 included:

- General information about the Commission and Elections ACT;
- Detailed information for political parties, candidates, media and voters regarding the 2016 ACT Legislative Assembly election;
- Access to an online postal vote application form;
- Access to an online facility to reply to apparent non-voter notices;
- Regularly updated details of the result of the count for the 2016 ACT Legislative Assembly election;
- Information on the redistribution of the electoral boundaries of the ACT Legislative Assembly;
- Details of past ACT Legislative Assembly elections, casual vacancies and referendums;
- Media releases;
- The party register, including details on the registration of political parties;
- Information on the election funding, expenditure and financial disclosure scheme, including compliance review information;

- A facility for political participants to lodge financial disclosure returns online;
- Financial disclosure returns including gift returns, election returns and annual returns;
- General electoral information in languages other than English and a facility to translate all website content into other languages;
- Information for organisations wishing to run their own elections;
- Information for schools wishing to run their own elections;
- A link to the AEC electoral enrolment forms, and other enrolment information;
- Printable copies of the Commission's publications; and
- Links to electoral legislation, other electoral bodies and ACT agencies.

Elections ACT is committed to making its website accessible to as many people as possible. To this end Elections ACT is endeavouring to meet AA accessibility checkpoints as defined in the W3C Web Content Accessibility Guidelines 2.0.

Advice

Providing advice to the Speaker, the Attorney General, Legislative Assembly Committees and other MLAs is one of the Commission's most significant responsibilities. The Commission also provides advice to visiting delegations from other jurisdictions and other countries, makes submissions to Commonwealth parliamentary inquiries and gives presentations at conferences.

As 2016/2017 was an election year, the provision of advice was primarily focussed on election related issues, in particular through the Commission's election information campaign.

Examples of advice provided during the year include:

- Submissions to the Select Committee inquiry into the 2016 ACT Election and the Electoral Act;
- Consulting the Speaker and the Standing Committee on Justice and Community Safety on the Commission's 2017/2018 budget;
- Appearing before the Standing Committee on Justice and Community Safety in relation to the Commission's 2015/2016 annual report; and
- Appearing before the Select Committee on Estimates 2017/2018.

For more information on Assembly Committee inquiries held during the year, see **Scrutiny** on page 50.

Electoral legislation

In 2016/2017 no significant amendments were made to the Electoral Act.

Technical amendments of the Electoral Act 1992

A number of technical amendments were made to the Electoral Act in 2016/2017. These amendments were made by the *Public Sector Management Act 2016*.

Electoral Amendment Bill 2015

The Electoral Amendment Bill 2015 was presented to the Assembly on 29 October 2015. This Bill included amendments to the Electoral Act to:

- Exclude expenditure undertaken by MLAs using their communications allowance from the items to be reported by MLAs in their annual disclosure returns; and
- Exclude expenditure undertaken by MLAs using their communications allowance from the cap on electoral expenditure that applies to political participants in an election year.

The Bill lapsed on 15 October 2016 without being enacted.

Freedom of information

Section 7 of the *Freedom of Information Act 1989* (the FOI Act) requires agencies to publish a statement showing functions of the agency, how the public can participate in the work of the agency, categories of documents in the possession of the agency and facilities provided to enable access to the agency's documents.

Section 8 of the FOI Act requires the Commission to publish a statement of documents used for the purpose of making decisions or recommendations.

These statements are available on request and are included on the Elections ACT website at **www.elections.act.gov.au/about_us/freedom_of_information**.

Under section 79 of the FOI Act agencies must report on the total number of FOI requests received during a reporting period. The Commission did not receive any FOI requests in 2016/2017, nor were any FOI matters outstanding at 1 July 2016.

Key result area 2.2

Electoral enrolment

Joint roll arrangement

Under the ACT/Commonwealth joint roll arrangement the Australian Electoral Commission (AEC) maintains a joint electoral roll for Commonwealth and ACT purposes. The ACT Electoral Commissioner and the Australian Electoral Officer for New South Wales constitute a Joint Management Committee, which oversees the operation of the joint roll arrangement.

The Commissioner pays the AEC a yearly fee for maintaining the joint roll, based on a national per elector rate. This rate is adjusted yearly for CPI and is reviewed every three years.

In 2014/2015 the AEC revised and updated the cost model used to produce the per elector rate, nationalising the model and moving away from a state specific rate. However, to assist in the transition to the new cost model, the AEC applied a rate for the 2015/2016 financial year in line with the previous cost model by applying CPI to the 2014/2015 rate. 2016/2017 was the first year with the new national rate applied.

The fee set for 2016/2017 was \$0.823 per elector (up from \$0.788743214 per elector 2015/2016). The Commission sought and received additional ongoing funding to cover the increase in the cost of the joint roll in the 2016/2017 budget.

Joint roll payments for the year totalled \$233,310 (excluding GST).

Completeness and accuracy of the ACT electoral roll

The maintenance of the electoral roll to a high level of completeness and accuracy is one of the key tasks undertaken by all Australian electoral authorities. The importance of this task for the ACT Electoral Commission is indicated by the ongoing performance indicator aimed at demonstrating that the ACT has secured a high level of electoral enrolments. The proportion of electoral enrolments as a percentage of estimated eligible population is known as the enrolment rate. The ACT target enrolment rate is greater than 95%. As at 30 June 2017 the ACT enrolment rate was 99.1%.

Enrolment activity is summarised in the tables which follow in this section. The information in these tables shows that the level of enrolment in the ACT has historically fluctuated according to the ACT and federal election cycles.

By comparison with all other Australian States and the Northern Territory, the ACT has tended to outperform the other jurisdictions in elector enrolment rate. The rates displayed in 2016/2017 and most importantly at the 2016 ACT election, continue this trend. Throughout 2016/2017 the ACT had the highest elector enrolment rate of all the States and Territories. As at 30 June 2017, it is estimated that the elector enrolment rate in the ACT was 99.1%, compared to a national rate of 95.1%. The next highest participation rate was 97.2% in New South Wales, while the lowest was 83.1% in the Northern Territory.

Following changes to the Commonwealth Electoral Act made in June 2012, the AEC is able to directly enrol new electors and update the enrolment of existing electors using trusted data sources, without electors being required to take action¹. This has significantly altered the way in which the electoral roll is maintained throughout Australia and appears to have led to improvements in the accuracy and completeness of the roll in the ACT; reversing the previous general decline in the proportion of eligible citizens enrolled to vote in the ACT and in Australia generally.

¹ Details of the AEC's direct enrolment and update strategy are available at www.aec.gov.au/Enrolling_to_vote/About_Electoral_Roll/direct.htm

Direct enrolment appears to have had a significant effect on youth enrolment. Historically the enrolment rates of younger citizens, particularly those aged 18 and 19 have been comparatively low in relation to other age groups. However, the tables below show that significant improvements have been achieved since the introduction of direct enrolment, particularly since 2015/2016, to the point where enrolment rates for all age groups, including 18 and 19 year olds, approached 100% at the 2016 ACT election. It is likely that this is an indication that direct enrolment measures are having a positive impact on the enrolment rate of young people. It may also reflect the effect of the roll close for the 2016 federal election which occurred on 23 May 2016.

Although significant improvements have recently been achieved in the enrolment rate of 18 year olds, as at 30 June 2017 this age bracket displays a rate of 62%, the lowest of any age group. However, this same age group recorded an enrolment rate of 96.7% at the October 2016 ACT election. In explanation, the AEC reported that the ACT was excluded from the first two direct enrolment events scheduled for 2016/2017 due to the proximity to the roll close for the ACT election. The significant drop in 18 year old enrolments since the ACT election is a reflection of the suspension of this enrolment activity. The Commission expects that the elector enrolment rate for 18 year olds will again improve significantly following the reinstigation of direct enrolment activities in the ACT during the 2017/2018 reporting period. The enrolment rate for all other age groups are also expected to remain high.

While the ACT continues to display relatively high enrolment rates, estimated eligible population figures must be treated with caution as they are based on various assumptions about residency and eligibility. The estimates shown are post-censal estimates based on 2006 and 2011 census data updated by birth and death registrations, and estimated interstate and overseas migration. The fact that some age groups show rates in excess of 100% is likely to be due to the aging nature of the census data on which the estimates are based. It is possible that these elector rates will see movement once data from the 2016 census is included in the calculations.

Enrolment stimulation activities

While electoral authorities strive to maintain an accurate electoral roll at all times, it is well documented that many people defer bringing their enrolment up to date until an election is imminent. As 2016 was both an ACT and federal election year, and in recognition of this tendency, the ACT Electoral Commission, together with the AEC, placed special emphasis on encouraging eligible citizens to enrol in the lead-up to the close of the rolls for each general election.

The following enrolment stimulation activities helped improve the ACT electoral roll in 2016/2017 in preparation for the ACT Legislative Assembly election:

- The 2 July 2016 federal election, including the accompanying information campaign;
- The 15 October 2016 ACT Legislative Assembly election, including the accompanying election information and advertising campaign;
- Ongoing AEC roll maintenance procedures.

Table 9 — Enrolment activity – ACT electoral roll

	14/15	14/15	15/16	15/16	16/17	16/17
Enrolment at 1 July		267,307		273,010		281,778
Additions		+18,854		+26,676		+17,279
New enrolment	6,603		10,187		5,855	
Re-enrolment	1,203		1,741		1,592	
Re-instatement	7		22		43	
Transfer into the ACT	11,041		14,726		9,789	
Movements within the ACT						
Transfers between electorates	9,197		13,118		10,433	
Changes within electorates	17,940		20,585		13,910	
No change enrolment ¹	2,289		9,950		3,682	
Adjustments²		-15		-109		-47
Previous federal only (+)	37		30		20	
Voters to provisional (-)	0		-1		0	
Now federal only (-)	-52		-138		-67	
Other (+/-)						
Deletions		-13,136		-17,799		-15,366
Objections ³	-761		-959		2,935	
Deaths	-1,512		-1,556		-1,855	
Duplications	-80		-118		-289	
Cancellations	-1		-23		0	
Transfers out of the ACT	-10,782		-15,143		10,287	
Enrolment at 30 June		273,010		281,778		283,644
Enrolment rate at 30 June		97.9%		99.6%		99.1 %

Note 1: **No change enrolment** refers to the number of applications for enrolment received where the elector is already enrolled and the elector details (name, address etc) on the new application are the same as the details under which the elector is enrolled.

Note 2: **Adjustments:** Residents of Norfolk Island, Jervis Bay and Wreck Bay are eligible to enrol for the ACT at the federal level but not at the territory level. "Previous federal only" includes electors who were on the federal roll in the ACT but not on the ACT Legislative Assembly roll and have since moved to the ACT. "Voters to provisional" are those electors who were incorrectly enrolled as being at least 18 years of age, but on checking were under 18 years of age. "Now federal only" includes electors who were on the joint ACT and federal roll but are now not on the ACT roll. "Other" represents adjustments made as a result of the direct enrolment in New South Wales of electors previously enrolled in the ACT.

Note 3: **Objections** primarily refers to those electors removed from the roll because they have left their enrolled address without re-enrolling elsewhere.

Table 10 shows enrolment by age group.

Table 10 — Enrolment by age group

	30 June 2015	30 June 2015	30 June 2016	30 June 2016	30 June 2017	30 June 2017
Age group	Number enrolled and entitled to vote	Enrolment rate	Number enrolled and entitled to vote	Enrolment rate	Number enrolled and entitled to vote	Enrolment rate
18	2,546	58.7%	4,235	98.8%	2,715	62.0%
19	3,184	72.1%	4,624	102.6%	4,623	104.3%
20-24	25,208	94.8%	25,103	99.7%	24,988	102.1%
25-29	27,163	92.9%	27,473	93.6%	27,137	92.4%
30-34	28,483	97.8%	29,207	97.2%	29,042	96.1%
35-39	25,980	100.5%	27,160	100.9%	28,070	100.1%
40-44	26,478	100.5%	26,421	101.3%	26,401	102.0%
45-49	24,024	99.5%	25,055	99.7%	25,957	100.3%
50-54	23,621	100.4%	23,486	100.3%	23,265	100.1%
55-59	21,494	99.9%	21,752	99.2%	22,229	99.3%
60-64	18,641	101.5%	18,838	101.0%	18,919	100.9%
65-69	16,766	103.8%	17,315	103.0%	17,201	104.9%
70+	29,422	100.8%	31,109	101.4%	33,097	100.9%
Total	273,010	97.9%	281,778	99.6%	283,644	99.1%

Note: The estimates of the proportion of electors who are actually enrolled compared to the estimated number of people eligible to enrol needs to be treated with caution, as the latter is based on various assumptions about residency and eligibility. The estimates for the dates shown are post-censal estimates based on census data updated by birth and death registrations, and estimated interstate and overseas migration. The fact that some age groups show enrolment rates greater than 100% is likely to be due to the nature of the estimates, and because there is a delay in removing people from the roll by the AEC, where it has information that people may have left their enrolled address, pending further investigation of these enrolments.

Table 11 shows enrolment by age group by electorate.

Table 11 — Enrolment by age group by electorate as at 30 June 2017

Age group	Brindabella	Ginninderra	Kurrajong	Murrumbidgee	Yerrabi	Total ACT
18	536	448	516	599	616	2,715
19	993	843	974	795	1,018	4,623
20-24	5,176	4,751	5,876	4,061	5,124	24,988
25-29	4,837	5,187	6,951	4,206	5,956	27,137
30-34	4,801	5,637	6,236	4,665	7,703	29,042
35-39	4,498	5,609	5,141	4,944	7,878	28,070
40-44	4,482	5,244	4,532	5,167	6,976	26,401
45-49	4,971	4,613	4,955	5,374	6,044	25,957
50-54	5,262	3,924	4,590	4,766	4,723	23,265
55-59	5,264	3,896	4,518	4,594	3,957	22,229
60-64	4,401	3,422	3,721	3,972	3,403	18,919
65-69	3,274	3,556	3,222	4,261	2,888	17,201
70+	4,998	7,222	7,232	9,689	3,956	33,097
Total	53,493	54,352	58,464	57,093	60,242	283,644

Electoral Council of Australia and New Zealand

The Electoral Council of Australia and New Zealand (ECANZ) is a consultative council of Electoral Commissioners from the electoral authorities of the Commonwealth, States and Territories and the Chief Electoral Officer of New Zealand.

The ECANZ considers issues related to the maintenance of the electoral rolls, the operation of electoral legislation, best practice in the management of elections and other matters of common interest. An Elections ACT representative attended the 3 ECANZ meetings held in 2016/2017.

Issues discussed by the ECANZ in 2016/2017 included the management of the joint electoral rolls, issues arising from the conduct of the 2016 federal election, issues arising from changes implemented by Australia Post, use of technology for voting and counting, accessibility of electoral services and opportunities for cooperation between jurisdictions.

A special meeting of ECANZ was held in Sydney on 31 May 2017 to discuss the future of internet voting in Australia. There was agreement that Electoral Commissions will work together with the long term aim of collaborating in the creation of a national electronic voting system.

A series of ECANZ working groups were active in 2016/2017 and were attended by representatives of most electoral authorities including Elections ACT staff. The working groups included stakeholder management and election operations/materials management.

Electoral education program

The key objectives of the Commission's electoral education program are:

- To ensure that the voters of the ACT are aware at election time when the election is to be held, where and when they can vote, how to vote and when a timely, accurate and transparent result is expected; and
- To facilitate school and community programs that place elections within a civics and citizenship framework, illustrate the process of the Hare-Clark electoral system and encourage enrolment.

Elections ACT has adopted the following education and communication strategies:

- Increase the reach of adult voter education in order to achieve improved electoral knowledge in relation to ACT Legislative Assembly elections;
- Become an integral part of the teaching of civics & citizenship to young people in the ACT; and
- Develop students' understanding of ACT elections and electoral engagement, with specific reference to the Hare-Clark system, in the context of the "Australian Curriculum: Civics & Citizenship", thereby assisting the formation of habits of informed, engaged citizenship.

Elections ACT staff provide ongoing electoral education services to school, community and professional groups. Elections ACT employs two dedicated electoral education/information officers, including one officer with formal teaching qualifications and experience. Other Elections ACT staff may also assist with the conduct of electoral education sessions. The school-based aspect of the education program is directed towards Year 5 through to senior secondary-aged students and is aimed at increasing knowledge of the ACT's electoral system and the compulsory nature of enrolment and voting in Australia.

Elections ACT's education sessions are often conducted in cooperation with the Legislative Assembly Education Officer in the Assembly building. Participants at these sessions experience a mock Hare-Clark election, as used for the ACT Legislative Assembly elections, from voting through to the count of the vote. The Commission's education program is promoted, in conjunction with that of the Legislative Assembly, by direct mail-out to schools and by referral from other organisations.

Outreach education sessions are also offered to schools and community groups. Elections ACT has been working towards conducting more outreach programs, in response to a reduction in the number of schools accessing the in-house education service, with teachers indicating this is largely due to increasing transport costs and timetabling difficulties for teachers. In preparation for the 2016 ACT election, Elections ACT promoted outreach sessions to schools via direct mail out, highlighting an election year as a unique opportunity to learn the electoral process in the ACT and develop an understanding of participatory government. The response from schools in an election year was positive. 40 per cent of all education sessions delivered by Elections ACT in 2016/2017 were held as outreach programs. To assist in covering the increased demand from schools over the critical election period, an experienced casual electoral educator was recruited in 2015/2016 and 2016/2017.

Table 12 lists electoral education sessions conducted by Elections ACT staff in 2015/2016 and 2016/2017.

Table 12 — Electoral education sessions

Organisation type	Number of participants 2015/2016	Number of participants 2016/2017
Colleges	30	67
Community Groups	30	101
High Schools	67	282
Primary Schools	240	528
Professional Groups	0	20
Migrant English Program	25	45
Total	392	1,043

The Commission's ability to deliver face-to-face electoral education is limited by its small size and budget. As a result, the Commission has developed a range of materials aimed at empowering teachers and students to conduct their own electoral projects without direct facilitation by Commission staff. The Commission offers assistance ranging from loaning electoral equipment to assisting with the election and scrutiny. In offering this assistance, the Commission aims to build skills within schools and contribute to students' experience of the democratic process.

In early 2017 Elections ACT assisted Hawker College with a Student Leadership Group election. An education officer supported a group of 25 students and teachers in drafting election rules developed over a series of meetings. Elections ACT provided ballot papers, ongoing advice, the loan of equipment and managed the scrutiny process for the election. Over three hundred students participated as candidates, polling officials and voters in this authentic election experience. This whole of school project incorporated several weeks of careful planning to ensure that the voting would reflect the principles of democratic representation.

Table 13 indicates the number of participants impacted by schools that borrowed equipment from Elections ACT and requested professional assistance and advice in running their own school elections in 2015/2016 and 2016/2017.

Table 13 — Equipment loans and professional advice

Organisation type	Number of participants 2015/2016	Number of participants 2016/2017
Colleges	0	315
High Schools	0	120
Primary Schools	80	120
Total	80	555

Electoral education materials made available on the Elections ACT website include:

- Detailed fact sheets covering a variety of topics – in response to the Australian curriculum focus on electoral education in the upper primary years, a range of fact sheets has been developed specifically for this age group in addition to those aimed at the general population;
- A series of documents to guide teachers through the electoral process enabling them to run their own school elections, including: instructions on the election process, the voting system, election day and counting the votes; templates for the nomination form and ballot papers; and a scrutiny sheet with built-in formulae to perform the calculations necessary under the Hare-Clark system;

- A ten-minute, modular video covering active citizenship, voting in the ACT, how to make your vote count and the Hare-Clark electoral system, which is available on the Elections ACT website and via Elections ACT social media channels for easy access by teachers and students using the internet in their classrooms;
- Two short videos that illustrate the casting of a formal vote and voting electronically, primarily played in polling places during the 2016 election but are also of value to classroom teachers to illustrate these topics, with the video on casting a formal vote being of particular use in assisting students during school/class elections;
- A package of interactive activities suitable for both primary and secondary students – the activities include an interactive voting activity illustrating the correct way to fill in a ballot paper, a polling place labelling activity for familiarisation purposes, a sorting activity to encourage discussion of compulsory voting, an interactive quiz, a find-a-word and a crossword;
- A curriculum mapping document linking current Elections ACT education resources to the Australian Curriculum - Civics and Citizenship.
- An innovative online mapping tool, developed to facilitate public submissions to the redistribution process. This tool is available on the Elections ACT website in demonstration mode and can be accessed by teachers and students for educational purposes.

In July 2016, Elections ACT joined with the Legislative Assembly, the Museum of Democracy at Old Parliament House, the National Archives of Australia, the Australian Electoral Commission and the ANU College of Law to host the 2016 ACT Schools' Constitution Convention for interested Year 11 students.

Elections ACT participate in community events when possible. At the 2017 Council of Ageing expo, 146 visitors were provided information and advice by Elections ACT staff.

Elections ACT has an active social media presence on both Facebook and Twitter. Elections ACT staff post news and information items in addition to online education resources including videos and games.

Key result area 2.4
Electoral boundaries

Redistribution of electoral boundaries

The Electoral Act requires a redistribution of ACT Legislative Assembly electoral boundaries to commence as soon as practicable after the start of the period two years before each scheduled general election for the Assembly.

The most recent redistribution was completed in August 2015. The boundaries determined for the new five electorates of Brindabella, Ginninderra, Kurrajong, Murrumbidgee and Yerrabi were those used at the 2016 ACT Legislative Assembly election.

A copy of the redistribution report is available from the Elections ACT website.

The next redistribution is due to commence in October 2018.

Key result area 2.5
Party registration

Register of political parties

The Electoral Commissioner maintains the register of political parties for the purposes of ACT Legislative Assembly elections.

As 2016 was an election year, any unregistered political parties wishing to register for the 2016 ACT Legislative Assembly election must have lodged their application to do so before 1 July 2016.

Three political parties lodged applications to register as a political party just before the submission deadline. These parties were: the Animal Justice Party, The Flux Party – ACT and Canberra Community Voters. As these applications were received late in 2015/2016, processing of the applications occurred in the 2016/2017 reporting period. Subsequently, the Animal Justice Party was registered on 8 July 2016, The Flux Party – ACT was registered on 16 July 2016 and Canberra Community Voters was registered on 21 July 2016.

The Electoral Act provides that the Commissioner must cancel the registration of a party on the request of the secretary of the party. Two registered parties requested deregistration during the reporting year:

- Like Canberra was removed from the party register on 26 May 2017; and
- VoteCanberra was removed from the party register on 9 June 2017.

As at 30 June 2017, the following ten parties were listed on the register of political parties.

Table 14 — Registered political parties as at 30 June 2017

Party name	Party abbreviation
Animal Justice Party	AJP
Australian Labor Party (ACT Branch)	ACT Labor
Australian Sex Party ACT	Sex Party ACT
Canberra Community Voters	CCV
Liberal Democratic Party	Liberal Democrats
Liberal Party of Australia (A.C.T. Division)	Canberra Liberals
Sustainable Australia (ACT)	Sustainable Australia
The ACT Greens	The Greens
The Community Alliance Party (ACT)	Community Alliance
The Flux Party – ACT	The Flux Party (Flux the System)

Key result area 2.6

Election funding, expenditure and financial disclosure

The election funding, expenditure and financial disclosure scheme

The ACT's election funding, expenditure and financial disclosure scheme consists of 3 main components:

- Public funding of election campaign expenditure and party/MLA administrative expenditure;
- Limits on the amount of electoral expenditure that may be incurred in an election year; and
- Disclosure of the financial transactions of registered political party groupings, MLAs, associated entities, candidates, third party campaigners, broadcasters and publishers.

No amendments to election funding, expenditure and financial disclosure legislation were made in 2016/2017. The last major changes took effect from 3 March 2015 and the details were discussed in the Commission's 2014/2015 annual report.

Education strategies

Elections ACT undertakes a range of education strategies to ensure that political participants are aware of their obligations under the ACT's election funding, expenditure and financial disclosure scheme.

The election funding and disclosure section on the Commission's website includes a range of detailed information intended to assist political entities to understand the requirements. As 2016 was an election year, relevant funding and disclosures publications such as manuals, FAQs, policies and factsheets were updated prior to 1 July 2016.

Elections ACT also conducted an information session aimed at 2016 election political participants, including political party reporting agents, third party campaigners and publicly announced prospective non-party candidates. The session was held on 5 September 2016. The information session provided political participants with a general overview of important aspects of the election process including details of their responsibilities and obligations with respect to the ACT campaign finance legislation and other electoral laws applicable to the 2016 ACT election.

Elections ACT publishes a table on its website briefly detailing the nature of any issues arising from reviews of compliance with the disclosure provisions, including the findings of the Commissioner and the reasoning behind any decision regarding sanctions. The compliance review findings can be accessed on the Elections ACT website at **www.elections.act.gov.au/funding_and_disclosure/monitor_and_compliance2**.

During 2016/2017 Elections ACT updated its compliance review program on its website, covering the two financial periods from 2015/2016 to 2016/2017, and included the compliance review policy and the compliance enforcement policy. The purpose of publishing the compliance review program and the compliance policies is to provide political entities with an overview of the proposed audit timetable, and to remind political entities that their financial records and documents will be examined on a regular basis. The compliance reviews are intended to ensure that disclosure obligations under the Electoral Act are being met.

The *Compliance Review Schedule 2015 to 2017* and other compliance policies can be accessed on the Elections ACT website at **www.elections.act.gov.au/funding_and_disclosure/monitor_and_compliance2**.

Disclosure mechanisms

From July 2015 a simplified online smartform portal for submitting disclosure returns was introduced. The portal acts as a gateway where political entities can log in using their allocated user name and password, and upload spreadsheets containing the details of their disclosure returns. Emails were also used as an alternative avenue for political entities to lodge electronic disclosure returns with Elections ACT.

Approved electronic pro-forma spreadsheets are provided to political entities for preparation and submission of the regular disclosure of gifts totalling \$1,000 or more, annual returns, and election returns. The pro-forma spreadsheets assist in the uploading of returns using the online lodgement portal.

Election funding

The ACT scheme for election funding is a formula-based direct-entitlement scheme, involving automatic payments to parties and candidates calculated by multiplying the total number of first preference votes received by a prescribed amount, adjusted each 6 months by the *All groups consumer price index* (CPI) issued by the Australian Bureau of Statistics.

The *Electoral Amendment Act 2015*, passed by the Legislative Assembly on 19 February 2015, increased the amount that applied at the 2016 ACT election from \$2 at the time of the 2012 election to \$8 per vote at the 2016 election. This amount will be indexed by CPI for future elections.

Additional funding was provided to the Commission in the 2016/2017 budget to facilitate payment of the increase in public funding at the 2016 election.

The election funding payments made with respect to the 15 October 2016 ACT Legislative Assembly election are provided in the following table:

Table 15 — Public funding at the 2016 election

Political party/candidate name	Amount
Australian Labor Party (ACT Branch)	\$750,488
Australian Sex Party ACT	\$29,552
Liberal Party of Australia (A.C.T. Division)	\$717,056
The ACT Greens	\$200,768
Kim Huynh	\$18,920
Total	\$1,716,784

Administrative funding

Registered political parties with Legislative Assembly representation and non-party MLAs (if any) are entitled to receive administrative funding payments under the Electoral Act. The provision of administrative funding commenced from 1 July 2012.

These payments are intended to help registered political parties and non-party MLAs (if any) meet the administrative cost of running their offices and complying with the disclosure requirements of the Electoral Act. Administrative funding cannot be used to incur expenditure for an ACT, federal, state or local government election.

Payment is made on a quarterly basis in arrears and at commencement amounted to \$5,000 per MLA per quarter. Where an MLA is an MLA for only a part of a quarter, the payment is adjusted on a pro rata basis.

The administrative funding payment amount is indexed by CPI. The amount set for the 2016 calendar year was \$5,410.82 per MLA per quarter. The amount set for 2017 was \$5,480.96 per MLA per quarter.

The increase in the number of MLAs elected from 17 to 25 at the 2016 election resulted in an increase in the total amount of administrative funding payments to be paid from October 2016 onwards. Additional funding was provided to the Commission in the 2016/2017 budget to facilitate payment of the additional administrative funding following the 2016 election.

A summary of the payments made from 2012/2013 to 2016/2017 are shown in table below.

Table 16 — Payment of administrative funding 2012/2013 – 2016/2017

Financial year	Australian Labor Party	Liberal Party	ACT Greens	Total per year
2012/2013	\$154,321	\$147,393	\$38,461	\$340,175
2013/2014	\$164,970	\$164,970	\$20,621	\$350,561
2014/2015	\$167,257	\$168,657	\$21,082	\$356,996
2015/2016	\$170,853	\$171,864	\$21,483	\$364,200
2016/2017	\$231,702	\$217,388	\$36,627	\$485,717
Total per party	\$889,103	\$870,272	\$138,275	\$1,897,648

Note that payments for each June quarter were made in the following July, but were accrued as an expense in the relevant financial year.

Financial disclosure

Annual returns

Under the financial disclosure provisions of the Electoral Act, registered political parties, MLAs and associated entities were required to lodge an annual return for the 2015/2016 financial year by 31 August 2016. Annual returns for 2016/2017 were due to be lodged by 31 August 2017, outside the current reporting period.

The 2015/2016 annual returns were published on the Commission's website on 7 September 2016. These returns included 11 annual returns received from registered political parties, 18 annual returns from MLAs and two annual returns from associated entities. All required annual returns were submitted.

Details of the returns can be viewed at the Elections ACT website and copies of original returns are available for public viewing at Elections ACT's office.

The table below shows a summary of the receipts, payments and debts for the three parliamentary parties and the combined other parties for the 2014/2015 and 2015/2016 financial years.

Table 17 — Summary of receipts, payments and debts of ACT registered parties from annual returns

Party	2014/2015	2014/2015	2014/2015	2015/2016	2015/2016	2015/2016
	Receipts	Payments	Debts	Receipts	Payments	Debts
ALP	\$902,706	\$828,586	\$88,594	\$1,366,263	\$1,300,790	\$461,704
LP	\$871,816	\$686,987	\$318,054	\$1,165,695	\$1,026,620	\$355,528
Greens	\$199,013	\$166,204	\$5,127	\$300,660	\$307,663	\$17,450
Other	\$294	\$209	\$0	\$6,813	\$708	\$700
TOTAL	\$1,973,829	\$1,681,986	\$411,775	\$2,839,431	\$2,635,781	\$835,382

Public funding of parties compared to private funding

Table 18 below shows the sources of funding of the 3 ACT parliamentary parties for the 2014/2015 and 2015/16 financial years, broken down into private and public funding, with private funding further broken down into those funds for which the donor is disclosed and the amount for which the donor is not disclosed.

Table 18 — Sources of funding received by the ACT parliamentary parties

2014/2015	ALP - amount	ALP - % of total received	Liberal Party - amount	Liberal Party - % of total received	ACT Greens - amount	ACT Greens - % of total received
Total received	\$902,706		\$871,816		\$199,013	
Public ¹	\$166,295	18.42%	\$167,695	19.24%	\$20,692	10.40%
Private	\$736,411	81.58%	\$704,121	80.76%	\$178,321	89.60%
Private – disclosed ²	\$519,185	70.50%	\$600,733	85.32%	\$63,109	35.39%
Private – undisclosed ³	\$217,226	29.50%	\$103,387	14.68%	\$115,213	64.61%

2015/2016	ALP - amount	ALP - % of total received	Liberal Party - amount	Liberal Party - % of total received	ACT Greens - amount	ACT Greens - % of total received
Total received	\$1,366,263		\$1,165,695		\$300,660	
Public ¹	\$170,212	12.46%	\$171,222	14.69%	\$21,403	7.12%
Private	\$1,196,051	87.54%	\$994,473	85.31%	\$279,257	92.88%
Private – disclosed ²	\$953,512	79.72%	\$753,754	75.79%	\$111,742	40.01%
Private – undisclosed ³	\$242,540	20.28%	\$240,719	24.21%	\$167,515	59.99%

Note 1: **Public funding** is funding received from the ACT or Australian Electoral Commissions. In election years, parties can receive public funding payments and refunds of candidates' nomination deposits. Elections ACT paid administrative funding to the three ACT registered parliamentary parties in 2014/2015 and 2015/2016.

Note 2: **Private – disclosed** is the total amount declared where the identity of the person or organisation making the payment, and the amount, is disclosed.

Note 3: **Private – undisclosed** is the total amount declared where the identity of the person or organisation making the payment, and the amount, is not disclosed. These amounts may include payments from known sources under the disclosure threshold and/or anonymous donations.

Table 18 shows that a proportion of the funding received by the registered parties is from payers whose identity is not disclosed. Audits of party returns show that much of this funding is made up of small donations, parliamentary levies, membership fees and fundraising activities where the total amounts paid are less than the \$1,000 disclosure threshold.

Election returns

Election returns outlining electoral expenditure are required following an ACT election from registered political party groupings, non-party candidates, third party campaigners and associated entities.

In addition, election returns of gifts received are required from non-party candidates and third party campaigners where the total of the gifts from any one person is \$1,000 or more.

Election returns from political party groupings, non-party candidates, third party campaigners and associated entities for the 2016 election were required to be lodged by 14 December 2016.

There were 12 party grouping returns, 16 non-party grouping returns, 19 third party campaigner returns and two associated entity returns received. One non-party candidate failed to lodge an election return. An infringement notice was issued in relation to this matter in 2016/2017. The matter had not been finalised by the end of the reporting period.

Three third party campaigners were issued with an infringement letter for exceeding the electoral expenditure cap during the 2016 capped expenditure period. The Electoral Act provides for a penalty, payable to the Territory, equal to twice the amount by which the electoral expenditure exceeds the expenditure cap. Two of the third party campaigners paid their penalty to the Territory during 2016/2017, with one matter still outstanding.

The 2017/2018 annual report will report on the finalisation of this outstanding matter.

Broadcasters and publishers were also required to lodge election returns providing details of those who bought electoral advertising with respect to the 2016 election. 12 returns were received.

All election returns were made public at the beginning of February 2017, and details from the returns can be viewed on the Elections ACT website.

Returns of gifts received of \$1,000 or more

Where a registered party grouping, associated entity or a non-party candidate grouping receives a gift of \$1,000 or more, or a series of gifts that sum to \$1,000 or more, from the same person or organisation in a financial year, the receiver must lodge a disclosure return with the Commissioner within a statutory time period from the date of the receipt of the gift that exceeds the threshold.

One of the changes made by the *Electoral Amendment Act 2015* was to alter the timing of these gift disclosures. From 3 March 2015, the following disclosure periods applied:

- In an election year, if the value of the gift or gifts received from a person reaches \$1,000 in the financial year between 1 April and 30 June, the declaration must be made to the Electoral Commissioner by 7 July;
- In an election year, if the value of the gift or gifts received from a person reaches \$1,000 in the financial year after 30 June and before the end of polling day, the declaration must be made to the Electoral Commissioner 7 days after the total amount received from the person reaches \$1,000; and
- In a non-election year, or in the first quarter (1 January until 31 March) of an election year, if the value of the gift or gifts received from a person reaches \$1,000 in the financial year, the declaration must be made to the Electoral Commissioner within 30 days of the end of the financial quarter in which the total amount received from the person reached \$1,000.

The Commissioner is required to publish these disclosure returns as soon as practicable after receipt. In practice these returns have been published typically within 24 hours of lodgement.

Details of the disclosure of gifts received of \$1,000 or more are available on the Elections ACT website.

As 2016 was an election year, which provides for a seven day reporting period of gifts received of \$1,000 or more between 1 July and the end of election day, the Commission ran two compliance reviews during this period to ensure political parties and associated entities were accurately disclosing details of gifts received prior to election day.

Twenty eight late submissions of gift returns were identified from the seven day reporting period compliance reviews. In most cases, the issues related to misunderstandings of requirements and unintentional administrative errors. The entities concerned were informed of the review outcomes and invited to submit an amendment. Explanations and/or amendment returns were received and relevant information was made public on the Elections ACT website.

The issues that were considered significant matters of public interest were published on the Elections ACT monitor and compliance webpage **www.elections.act.gov.au/funding_and_disclosure/monitor_and_compliance2** along with the outcomes of the Commissioner's investigations into the matters.

Review of compliance with financial disclosure provisions

Following the introduction of the campaign finance reforms from 1 July 2012, the Commissioner introduced a structured program of compliance reviews. The 2015 to 2017 compliance review schedule is published on Elections ACT's website.

In 2016/2017 the Commissioner continued to engage auditors on contract to undertake reviews on financial disclosure.

Three separate compliance review processes were administered during the reporting period. The first two reviews focussed on gift reporting during the seven day reporting period in the lead-up to the 2016 ACT election.

The final compliance review process was administered, beginning in February 2017, analysing gift reporting between 28 September to 31 December, 2015/2016 annual returns and 2016 election returns. The findings from this review were yet to be finalised during the current reporting year. Details of these findings will be reported in the 2017/2018 annual report.

Five compliance investigation matters were published on the monitor and compliance webpage during 2016/2017 reporting period.

Goal 3 – To support high quality electoral services by effective management

Key result area 3.1

Human resources management

Election staffing

For the 2016 election, Elections ACT supplemented its small team of ongoing staff by employing experienced casual and contract staff in temporary positions to manage various processes in the lead-up to, through and following the election. Elections ACT also employed a number of casual staff under the Electoral Act to undertake a range of tasks throughout the election period, including to work as polling officials at pre-poll voting centres and the many polling places on polling day.

For the 2016 election key staff were engaged from April 2016 and from July 2016 and continued until the completion of the bulk of the election tasks in November 2016.

Key staff commencing in April included the media and complaints manager, materials manager, election operations officer and election systems ICT officer.

Key staff coming on board in July included the staffing manager, postal vote manager and database manager.

In 2016, 646 staff were employed to work within polling places on polling day. 213 additional casual staff were also employed to work within the office of Elections ACT and in pre-poll voting centres, as mobile voting officers or as bilingual educators throughout the election period.

More detailed information on staffing arrangements for the election is included in the *Report on the ACT Legislative Assembly Election 2016*.

Staff survey

November/December 2012 was the first time that Elections ACT participated in a staff survey. When these surveys had been offered in the past, Elections ACT has not had a sufficient number of staff for results to be published at the organisational level, as more than 10 staff have been needed to participate in order to offer anonymity of responses. In 2012, Elections ACT participated in the 'home' Directorate staff survey of the Justice and Community Safety Directorate (JACSD).

In 2016, under the new status of independent Officers of the Legislative Assembly, no longer administratively connected to JACSD, and with an increased staffing level due to temporary election staff, Elections ACT commissioned its own staff survey through an external service provider.

Eighteen staff were offered the opportunity to participate, including all the key additional election project officers. Of these, 14 staff responded.

The survey results indicated a very high level of staff satisfaction. In particular:

- 84.3% of staff were ranked as 'engaged', indicating the organisation was typical of a 'culture of success'.
- 86% of staff rated Elections ACT as a 'truly great place to work'.
- 100% of staff agree that the organisation ensures management get to know staff.
- 90% of staff agree that the organisation ensures management listen to staff.
- 100% of staff agree that the organisation prides itself on providing service that is 'right the first time'.

The survey demonstrated that Elections ACT maintains a strong culture that puts into practice the Commission's values of respect, integrity, collaboration and innovation.

Human resources developments

Elections ACT is a small agency with a small permanent workforce. In 2016/2017, Elections ACT employed as its base staffing establishment a total of eight fulltime equivalent staff under the *Public Sector Management Act 1994*. In addition, the Commissioner and the two part-time Commission members are appointed under the *Electoral Act 1992*.

During the reporting period and up until November 2016, an extra five contract staff were employed to assist with the planning of, and preparations for, the conduct of the 2016 ACT Legislative Assembly election. These included an election operations officer, election systems ICT officer, materials manager, database manager, media and complaints manager and postal vote manager.

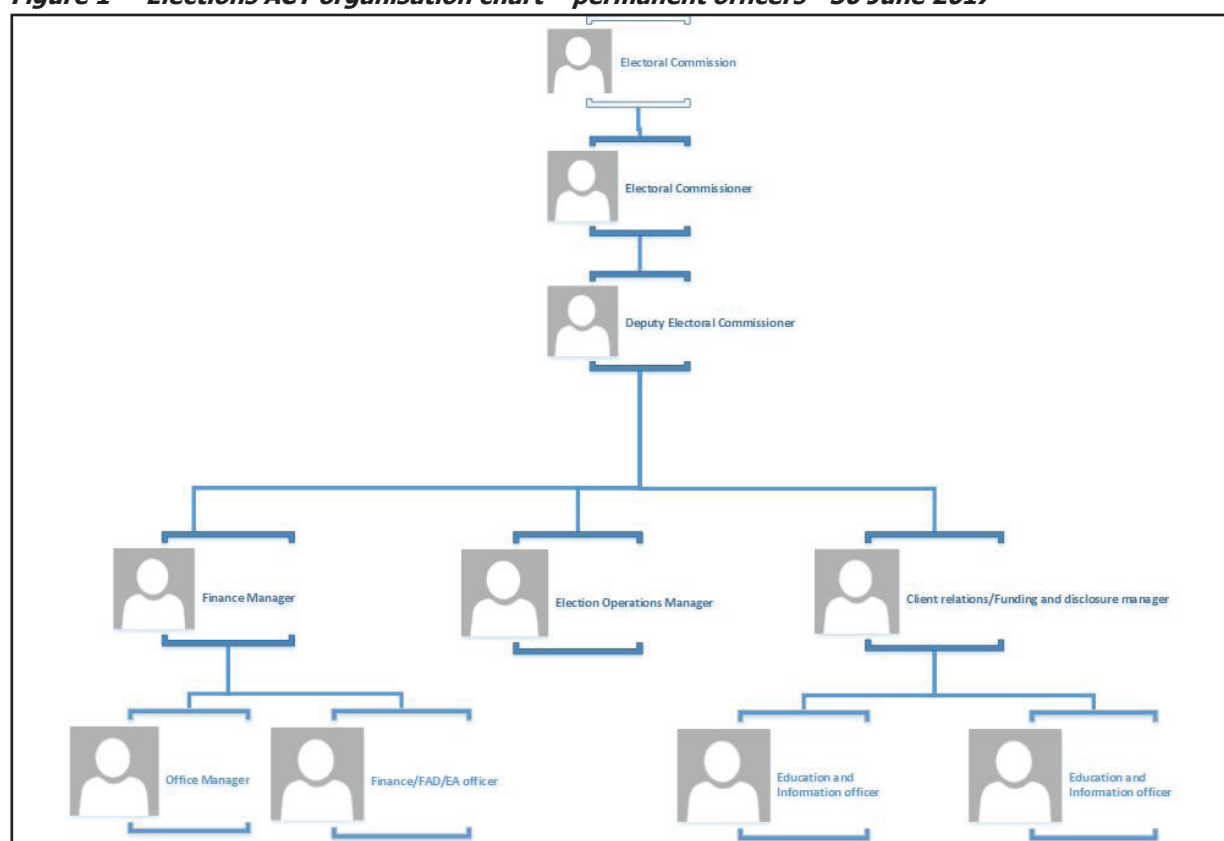
Elections ACT maintains an in-house database of applicants for casual and temporary employment. Numerous election casuals and senior casuals were also employed in 2016/2017 under section 32 of the *Electoral Act 1992* to assist with election preparations and other tasks as required.

A merit-based recruitment process, overseen by the Speaker's Office under the Officer of the Legislative Assembly arrangements, was undertaken in anticipation of the end of the term of appointment, and voluntary retirement, of Mr Roger Beale as the part-time Chairperson of the Commission in April 2017. As a result of this process, Ms Dawn Casey, who was serving in the member role at the time, was appointed as the new Chairperson of the Commission for a term of five years. Ms Casey's appointment commenced on 20 April 2017 and will end on 19 April 2022.

Following Ms Casey's appointment as Chairperson, a vacancy was created in the part-time Member of the Commission role. Mr Philip Moss AM was appointed by the Speaker as the new Member of the Commission for a term of five years. Mr Moss' appointment commenced on 7 June 2017 and will end on 6 June 2022.

The following graphic shows the organisation chart for Elections ACT as at 30 June 2017:

Figure 1 — Elections ACT organisation chart – permanent officers - 30 June 2017



Elections ACT purchases transactional human resource services, including recruitment and payroll support, from the ACT Government's Shared Services agency. In 2015/2016, Elections ACT negotiated to purchase additional strategic human resource services from the Shared Services Corporate team. These additional strategic HR services commenced on 1 July 2016 and continued to be available during 2016/2017.

Elections ACT uses the Chief Minister, Treasury and Economic Development Directorate's Employee Assistance Provider, in a fee-for-service arrangement.

Public interest disclosure

The *Public Interest Disclosure Act 2012* requires each public sector agency to establish and maintain procedures to facilitate the making of public interest disclosures. The Commissioner for Public Administration has published guidelines to explain and support the way in which public sector entities covered by the Act should handle disclosures. The Commission has adopted these whole of government procedures.

During 2016/2017 no public interest disclosures related to the Commission or Elections ACT were lodged.

Financial management in the Commission

The members of the Commission were established as officers of the ACT Legislative Assembly from 1 July 2014, following the passage in November 2013 of the *Officers of the Assembly Legislation Amendment Act 2013*.

Key changes that flowed from this new status included the allocation of the electoral services budget directly to the Commission, and the granting of director-general powers to the Electoral Commissioner under the *Financial Management Act 1996*.

Previously, the electoral services budget was allocated to the Commission's portfolio Directorate, the Justice and Community Safety Directorate (JACSD), and the Commissioner exercised financial powers as a delegate of the director-general of that Directorate. Under this arrangement, the formal budget statement relating to the Electoral Commission was published in the JACSD annual report.

As a result of the changes the Commission became responsible for publishing its formal budget statement in its annual report.

To assist the Commissioner with the increased responsibilities for financial matters resulting from these changes, a part-time chief finance officer has been employed on a contract basis since 2014/2015. This officer is not considered to be an employee.

Reporting and analysis of the Commission's financial performance in 2016/2017 is included under **Financial management reporting** on page 65.

The financial statements of the Commission were separately audited by the office of the ACT Auditor General in July-August 2017. The Auditor General did not identify any significant matters during the audit of the financial statements and provided an unqualified audit report. The Auditor General's **Independent audit report: ACT Electoral Commission** is included on page 71.

The total controlled operating result for the Commission for 2016/2017 was a deficit of \$0.375 million, noting that of the total appropriation amount of \$7.625 million, only \$7.007 million was drawn.

For the first time, the Commission also reported Territorial financial statements. The total territorial operating result for 2016/2017 was a surplus of \$0.148 million

Key result area 3.3

Records management

Records management program

As required by the *Territory Records Act 2002*, the Commission has in place a records management program. The ACT Electoral Commission's records management program has been approved by the entity's principal officer and submitted to the Director of Territory Records.

The records management program is available on the Elections ACT website: **www.elections.act.gov.au/publications/corporate_publications**. The records management program was reviewed in 2015/2016 and updated in December 2015.

In 2014/2015, Elections ACT began the implementation of an Electronic Digital Record Management System (EDRMS), with the assistance of the ACT Record Services Office. In 2015/2016, the EDRMS was adopted as the gateway to the Elections ACT records management system, incorporating digital and hardcopy records. Elections ACT is focused on moving towards a more digital environment and will continue to work with ACT Record Services to improve the interface for ease of use and streamlining digital record keeping processes.

With the increase in staffing through the 2016 Election period Elections ACT worked with ACT Record Services to deliver digital records training to new starters.

The principal officer for records management is the ACT Electoral Commissioner with Elections ACT's office manager maintaining the dedicated role of records manager for the agency. The office manager commenced an advanced diploma in records management in 2015/2016. The course is scheduled for completion in 2017/2018.

All staff in Elections ACT are responsible for records management in relation to their functions. Records management training is provided through the induction process as well as one-on-one training. All Elections ACT staff are encouraged to attend the Shared Services introduction to records management training and to attend regular records management refresher courses.

The Elections ACT Records Disposal Schedules applicable to 2016/2017 were listed on the ACT Legislation Register as follows:

Table 19 — Records Disposal Schedules used by the ACT Electoral Commission:

Records Disposal Schedule Name	Effective	Year and No.
Territory Records (Records Disposal Schedule – Election and Referendum Services to Other Agencies Records) Approval 2014 (No 1)	1 July 2014	NI2014-289
Territory Records (Records Disposal Schedule – Elections and Referendums for the ACT Legislative Assembly Records) Approval 2014 (No 1)	1 July 2014	NI2014-288

Elections ACT does not create or hold records containing information that may allow people to establish links with their Aboriginal or Torres Strait Islander heritage.

Key result area 3.4

Information/communication technology management

ICT applications

Since the conduct of the Commission's first election in 1995, Elections ACT has progressively introduced a range of information and communications technologies aimed at improving electoral services for the ACT community. Elections ACT has led Australia in the adoption of many electoral ICT innovations, notably the electronic voting and counting system introduced at the 2001 election, the ballot paper scanning introduced at the 2008 election and the electronic polling place management and roll mark-off system introduced at the 2012 election.

ICT systems and databases continue to play a large role in Elections ACT's operations and election preparations.

Capital funding for the re-development and upgrade of the Commission's 2016 election ICT systems was provided in the Commission's 2014/2015, 2015/2016 and 2016/2017 budgets.

Work undertaken on these systems during the year included:

- The electronic voting and counting system (eVACS®) – upgraded and tested to take account of the increased number of electorates;
- The ballot paper scanning system – upgraded to operate on a more contemporary Windows operating system and to take account of the increased number of electorates;
- The integrated Legislative Assembly polling place management and election results display system (LAPPERDS), including the electronic roll mark-off system, ballot paper reconciliation tool, vote count transmission facility and the election results display system – merged into a single business system with increased functionality and enhancements to the display of election results; and
- The election management database system (TIGER) – upgraded in readiness for the 2016 election.

ICT resources

Shared Services ICT, the ACT Government information technology management agency, continued to provide ICT resources to Elections ACT in 2016/2017.

Internet

Elections ACT continued to maintain and update the Elections ACT website during 2016/2017. The Elections ACT website address is **www.elections.act.gov.au**.

All ordinary updating and maintenance of the website is undertaken in-house.

For more detail on the Elections ACT website see **Information service** on page 23.

B.3 Scrutiny

The Standing Committee on Justice and Community Safety

The Acting Electoral Commissioner represented the Commission at a hearing of the Standing Committee on Justice and Community Safety in relation to the Commission's 2015/2016 annual report on 8 March 2017.

The Committee's *Report on annual and financial reports 2015-2016* (Report Number 1 of May 2017) was tabled in the Assembly on 8 June 2017. See www.parliament.act.gov.au/__data/assets/pdf_file/0013/1071022/9th-JCS-01-Annual-Report-2015-16.pdf.

The report noted that a range of matters had been considered relating to the evidence provided by the Acting Electoral Commissioner including: campaign complaints; the Commissioner's ruling regarding application of the 100 metre rule; electronic voting; Elections ACT website and server capacity on election night; the redistribution of electoral boundaries for the 2016 election; and Elections ACT compliance reviews on the funding and disclosure scheme. The Committee made one recommendation with respect to electoral services:

The Committee recommends that, where possible, the Select Committee on the 2016 ACT Election and Electoral Act 1992 review the application of the 100 metre rule and matters relating to the communication of that rule in a timely manner.

The Government response to the Committee's report had not been presented at the time of drafting this annual report.

The Standing Committee on Justice and Community Safety was consulted by the Speaker during 2016/2017 in relation to the development of the Commission's budget for 2017/2018, in accordance with the provisions of the Financial Management Act.

The Standing Committee on Justice and Community Safety provided advice to the Speaker during 2016/2017 in relation to the interim appointment of Mr Roger Beale as the part-time Chairperson of the Commission, following the expiry of Mr Beale's 5 year term on 3 March 2017, and prior to the completion of the recruitment process for a new Chairperson. The Standing Committee on Justice and Community Safety also provided advice to the Speaker during 2016/2017 in relation to the appointment of Ms Dawn Casey as the new part-time Chairperson of the Commission and Mr Philip Moss AM as the new part-time Member of the Commission, in accordance with section 12 of the Electoral Act.

The Select Committee on Estimates 2016/2017

The Select Committee on Estimates 2016/2017 tabled its report *Appropriation Bill 2016-2017 and Appropriation (Office of the Legislative Assembly) Bill 2016-2017* on 2 August 2016. See www.parliament.act.gov.au/__data/assets/pdf_file/0020/910226/Estimates-2016-17.pdf.

The report noted that a range of matters had been considered relating to the evidence provided to the Committee by the Electoral Commissioner in the previous reporting period. The Committee made no recommendations with respect to electoral services.

The Select Committee on Estimates 2017/2018

The Acting Electoral Commissioner represented the Commission at a hearing of the Select Committee on Estimates 2017/2018 on 21 June 2017.

The Committee reported outside of the 2016/2017 reporting period.

Auditor-General reports

Performance audit into the conduct of the 2016 ACT election

The ACT Auditor General's *Performance Audit Program 2016-17* was published on 17 June 2016. The program included a proposed performance audit of the conduct of the 2016 ACT Legislative Assembly election.

Following its inclusion in the ACT Audit Office official program for 2016/2017, the performance audit commenced during the lead-up to the October 2016 ACT election. A team of auditors from the ACT Auditor General's Office closely observed the conduct of the election and consulted with a wide range of Elections ACT staff and with the members of the Commission.

The ACT Auditor General tabled a report titled *Performance Audit Report: 2016 ACT Election* on 16 February 2017.

The report concluded:

Elections ACT's planning and conduct of the 2016 election was effective as reflected in the election performance indicator results. This was achieved in the context of an increase in voters, electorates, candidates and members of the Legislative Assembly.

A copy of the report can be found at www.audit.act.gov.au/reports2017.htm

Ombudsman reports

The ACT Ombudsman did not publish any reports or recommendations directly related to the Commission in 2016/2017.

B.4 Risk management

The Commission updated and monitored its strategic risk register during 2016/2017. This register includes risk assessment and mitigation strategies for the following classes of risks:

- Reputation and image;
- Products and services;
- Operational;
- Environment;
- Assets;
- People;
- Technology; and
- Fraud.

Under the direction of the Electoral Commissioner, Elections ACT undertakes risk management assessments for all its major projects and contracts. The Commission takes a strategic interest in these assessments where they bear on its statutory duties.

During the reporting period the Commission and Elections ACT continued the task of assessing risks as part of the preparation of business requirements and specifications for the development of its ICT election systems and, in particular, with respect to risks associated with the conduct of polling. Elections ACT also worked closely with the Chief Minister, Treasury and Economic Development Directorate (CMTEDD) safety support team to review office workplace health and safety risks.

Elections ACT reviewed its business continuity plan in 2015/2016 in preparation for the 2016 ACT election.

B.5 Internal audit

In 2014/2015, in accordance with the ACT Government Internal Audit Framework, the Commission considered the need for an internal audit committee, taking into consideration the organisation's small size, its relative lack of organisational complexity, its overall risk profile, its history of past issues and incidents, cost benefits and existence of alternative mechanisms. The Commission concluded that it is not practicable or cost effective to establish an internal audit committee.

In 2015/2016 the Commission identified operational and financial areas requiring a targeted audit process and adopted an internal audit charter and strategy. The Commission determined that the internal audit function will be undertaken by contracted professional audit service providers. A work plan was developed with the internal audits scheduled to take place between 2016/2017 and 2019/2020.

However, a detailed audit on the planning for, and conduct of, the 2016 ACT election was conducted by the Auditor General during the 2016/2017 reporting period. The audit reviewed all major aspects of electoral legislative compliance, election preparation and system implementation. Taking this into consideration, as well as the need for Elections ACT to focus its full attention on the conduct of the election, the Commission determined to delay the commencement of the internal audit process until the 2017/2018 financial year.

Once commenced, this process will be overseen by the full Commission at a strategic level and implemented by the Electoral Commissioner with the assistance of the Deputy Electoral Commissioner, the chief finance officer and the finance manager.

B.6 Fraud prevention

The Commission has a fraud and corruption prevention plan, which articulates the control measures in place to prevent fraud and corruption occurring within the Commission, and ensures it is appropriately managed when it is reported. The fraud and corruption prevention plan is a requirement of the *Public Sector Management Standards 2006* and is prepared according to ACT Government Guidelines and Australian Standard 8001.

In accordance with the ACTPS Integrity Policy the Commission has a senior executive responsible for business integrity risk (SERBIR). This role is allocated to the Deputy Electoral Commissioner. The SERBIR is responsible for reporting to the Electoral Commissioner on the overall compliance of the Commission with the ACTPS Integrity Policy. The position has responsibility for taking direct reports of allegations of potential fraud and corruption from staff. The SERBIR also has responsibility for dealing with reports under the Public Interest Disclosure (PID) process.

There were no reports or allegations of fraud or corruption received in 2016/2017.

B.7 Work health and safety

In all of its activities Elections ACT gives careful consideration to workplace health and safety (WHS) principles and practices. Elections ACT participates as a member of the ACT Public Service Work Health and Safety Working Group which is managed by the Chief Minister, Treasury and Economic Development Directorate (CMTEDD).

Elections ACT has adopted the whole of government WHS policy statement and had access to CMTEDD WHS personnel in 2016/2017.

During 2016/2017, Elections ACT worked closely with the CMTEDD safety support team to develop a Workplace Health and Safety Management System specific to the role and function of the ACT Electoral Commission. The safety management system will be finalised and implemented in the 2017/2018 financial year.

Elections ACT also worked closely with the CMTEDD safety support team to review office workplace health and safety risks and specific safety risks in relation to polling at a Legislative Assembly election. All of these risks were included in the ACT Electoral Commission's risk management register.

Elections ACT has two fire wardens, a health and safety representative and a designated first aid officer.

Incoming post is scanned by the ACT Government Registry before being opened by Elections ACT staff.

A single WHS reportable occurrence occurred during the reporting period in relation to a potentially hazardous material incident. The matter was referred to the police and reported via the ACT Government's online WHS reporting tool, RiskMan. Police determinations indicated the incident was a false alarm.

No workers compensation claims were made under the *Work Health and Safety Act 2011* during the reporting period.

B.8 Human resources management

A summary of the Commission's human resources management can be found on page 45 under **Key result area 3.1 – Human resources management**.

Enterprise Agreements

The *ACT Public Service Administrative and Related Classifications Enterprise Agreement 2013- 2017* was approved by Fair Work Australia on 23 May 2014 and became operational on 30 May 2014. The agreement expired on 20 June 2017. The agreement covered Elections ACT staff employed under the Public Sector Management Act. A new ACT Public Service Administrative and Related Classifications Enterprise Agreement had not yet been agreed to at the time of this report.

Terms and conditions of temporary staff employed under the *Electoral Act 1992*

The terms and conditions of temporary staff employed under the *Electoral Act 1992* are determined by the Electoral Commission under section 32 of the Act. These terms and conditions were substantially reviewed and updated in 2015/2016, with effect from 1 July 2016. Rates of pay and conditions of employment applied to Electoral Act staff are based on those that apply to staff employed under the Public Sector Management Act where practicable.

Australian Workplace Agreements

No Elections ACT staff were employed under an Australian Workplace Agreement.

Attraction and retention special employment arrangements

No Elections ACT staff were employed under a special employment arrangement.

Continuous improvement

Elections ACT endeavours to foster an environment of continuous improvement and to provide satisfying work and development opportunities for its staff.

Permanent staff are encouraged to pursue secondments to other agencies to contribute to international, interstate and national electoral projects and to develop new skills through on- the-job training and external training courses.

No interstate secondments occurred in 2016/2017. However, staff attended various national workshops and conferences during the year, including meetings of the election materials and operations working group and the national electronic voting working group, each of which brought together electoral practitioners to learn and advise one another.

2016/2017 provided Elections ACT staff with the opportunity to undertake a range of learning and development activities (see **Learning and development** on page 57).

As Elections ACT is a small organisation, all staff meet in regular forums to participate in decision-making processes. These include staff meetings and election, corporate and strategic planning workshops.

All contracted Elections ACT staff had a performance management plan for 2016/2017. The plans incorporated a formal review schedule, with one-on-one performance reviews.

Learning and development

During 2016/2017, Elections ACT staff participated in learning and development activities, including attending various courses and seminars. To facilitate Elections ACT's learning and development strategy, each staff member is allocated an average of \$1,250 in the Commission's budget each year.

Each Elections ACT staff member maintains a formal personal achievement and development plan. These plans are regularly reviewed. Through fortnightly meetings with all staff, the Commissioner also monitors and updates Elections ACT's performance as a team.

Learning and development opportunities undertaken in 2016/2017 are shown in Table 20.

Table 20 — Elections ACT learning and development activities

Initiative	Number of participants
Recruitment & staff selection	1
Leadership fundamentals	1
Leading, planning and managing change	1
Managing employee performance	1
Establishing and maintaining high performing teams	1
Skills for handling difficult people, behaviour and situations	1
Managing time and workloads	1
Successful project delivery every time	2
Media management session	1
Writing for government (reports)	1
CPA Congress	1
Oracle reports and enquiries training	1
Microsoft Excel intermediate for finance staff	1
The accounts payable invoice automation solution training	5
Electoral regulatory research network seminar - Issues arising from police activity during election time	2
Public Service seminar - An introduction to the ACT Legislative Assembly	1
Public Service seminar - The role and operation of Assembly Committees	1
Aboriginal and Torres Strait Islander cultural awareness training	3
Cultural awareness training - ATSIEB 2017 election	3
Work health and safety representative training	1
Work health and safety representative, refresher training	1
Provide first aid and provide cardiopulmonary resuscitation	1
Fire warden training	2
Fire evacuation training	20

Workforce details

The following tables set out details of permanent and temporary staff employed during 2016/17 including the Electoral Commissioner. As required by the Annual Report Directions, the figures presented are as at 8 July 2017. The tables do not include the 2 part-time Commission Members or casual staff employed during the year who were not employed as at 8 July 2017.

Table 21 — Full-time employees & head count

FTE & head count	Female	Male	Total
FTE by gender	8.5	2.6	11.1
Headcount by gender	9	3	12
% of workforce (headcount)	75%	25%	100%

Table 22 — Classifications

Classification group	Female	Male	Total
Administrative officers	5	1	6
Senior officers	4	1	5
Statutory office holders	0	1	1
Total	9	3	12

Table 23 — Employment category by gender

Employment category	Female	Male	Total
Casual	0	0	0
Permanent full-time	7	1	8
Permanent part-time	1	0	1
Temporary full-time ¹	1	1	2
Temporary part-time	0	1	1
Total	9	3	12

Note 1: The Electoral Commissioner is classed as being a temporary full-time employee, as a statutory office holder employed for a fixed term.

Table 24 — Average length of service by gender by age-group

Average length of service ¹	Under 25		25-34		35-44		45-54		55 and over	
0-2										
2-4										
4-6										
6-8										
8-10										
10-12										
12-14										
14+ years										

Note 1: This table does not show age details for individuals to protect their privacy, given the small number of staff employed by Elections ACT.

Table 25 — Total average length of service by gender

Gender	Average length of service
Female	12.9
Male	16.4
Total	13.8 years

Table 26 — Agency profile

Agency	FTE	Head count
ACT Electoral Commission	11.1	12
Total	11.1	12

Table 27 — Equity and workplace diversity

	Aboriginal and/or Torres Strait Islander employment	Culturally & linguistically diverse employment	Employment of people with a disability	Number of employees who identify in any of the equity & diversity categories
Head count	0	5	0	5
% of total staff	0.0%	41.7%	0%	41.7%

The tables representing workforce recruitment and separation data are not supplied. Given the small number of staff employed by Elections ACT and due to the small sample size, the recruitment and separation data was not statistically valid or reliable and therefore these tables have been omitted from this annual report.

B.9 Ecologically sustainable development

The ACT Electoral Commission is committed to the principles of ecologically sustainable development (ESD) as set out in the *Environment Protection Act 1997* and required by the *Climate Change and Greenhouse Gas Reduction Act 2010*.

Staff members of Elections ACT are proactive in incorporating ecologically sustainable considerations into their daily business practices including:

- Turning off computers, lights and kitchen appliances when not in use;
- Placing the multi-function device on stand-by at night;
- Using movement activated lights in all areas;
- Following sustainability principles when purchasing consumables where possible;
- Using recycled paper within the office and for publications where appropriate;
- Limiting the print runs of publications and ensuring these are available in accessible format on the Commission's website;
- Minimising printing by circulating documents electronically, using duplex printing, email delivery of faxes and an electronic records management system;
- Waste streaming to ensure paper, cardboard, toner cartridges, organics, comingled materials and batteries are all recycled;
- Recycling or re-using election material such as the cardboard polling place equipment; and
- Using electronic rather than paper electoral rolls in the 81 polling places for the ACT Legislative Assembly election.

In 2016/2017 Elections ACT undertook further measures to reduce its environmental footprint by:

- Adding a sustainability component to the staff induction package;
- Replacing the ACT electoral roll made available to the public for searching from hard copy to electronic format; and
- Adding a soft plastics recycling station to its waste streaming system for recycling.

The Commission maintained its status as an Actsmart accredited business for the sixth consecutive year. Accreditation involves demonstration, through an annual audit, of waste reduction and recycling practices.

Elections ACT was not asked to provide the Commissioner for the Environment with any assistance in the preparation of the State of the Environment Report, nor did the Commissioner carry out any investigations or make any recommendations in relation to the activities of Elections ACT.

In aligning with the ACT Government's commitment to achieving carbon neutrality by 2020, Elections ACT's operational consumption of resources for 2016/17 is outlined on the following pages and compared with the data for 2015/16.

Table 28 — Elections ACT staff and floor area

Agency staff and area	Unit	2016/2017	2015/2016	Percentage change
Agency staff	FTE	13.34	10.5	27%
Workplace floor area	Area (m2)	332.92	402	-17.2%

Staffing figures do not include the two part-time Commission members or casual staff employed under the Electoral Act during the year. However, staff employed on temporary contracts for roles related to the ACT Legislative Assembly election - such as project managers for staffing, materials, media and complaints and various project officers - are included and account for the increase. Data is sourced from monthly HR Summary reports provided by ACT Government.

Elections ACT relocates to larger premises prior to an election to accommodate increased staffing levels. From 1 July until 25 November 2016, Elections ACT occupied 575 square metres in Eclipse House then relocated to its permanent accommodation in North Building, occupying 160 square metres for the remainder of the year.

Table 29 — Stationary energy usage

Stationary energy usage	Unit	2016/2017	2015/2016	Percentage change
Electricity use	Kilowatt hours	31,526	29,376	7%
Natural gas use	Megajoules	48,550	51,411	N/A
Diesel	Kilolitres	N/A	N/A	N/A

Stationary energy usage data is sourced from the Enterprise Sustainability Platform (ESP), set up by ACT Government in 2014 to provide a consistent approach to reporting sustainability data across ACT Government. The ESP provides continuously updated, accurate and auditable water, energy (electricity and gas), and greenhouse gas emissions data and utility billing cost information for its assets and agencies.

ESP data for electricity is complete. The increase is likely due to increased office space and staff in the first half of the year and possibly also a by-product of extensive renovation work being carried out to replace the full HVAC system for the North Building.

ESP data for gas usage is incomplete. Relevant data is unavailable for the tenancy in Eclipse House. Gas costs for Eclipse House were borne by the building owner and incorporated into the rent charged for the tenancy. Data was not reported to ACT Property Group. Relevant data was also unavailable during the 2015/16 reporting period. A figure relating to percentage change is therefore unable to be provided.

Table 30 — Transport fuel usage

Transport fuel usage	Unit	2016/2017	2015/2016	Percentage change
Electric vehicles	Number	0	0	N/A
Hybrid vehicles	Number	0	0	N/A
Other vehicles (not electric or hybrid)	Number	12	0	N/A
Total number of vehicles	Number	12	0	N/A
Total kilometres travelled	Kilometres	27,729	N/A	N/A
Fuel use – Petrol	Kilolitres	258.3	N/A	N/A
Fuel use – Diesel	Kilolitres	1242.1	N/A	N/A
Fuel use – Liquid petroleum gas (LPG)	Kilolitres	N/A	N/A	N/A
Fuel use – Compressed natural gas (CNG)	Kilolitres	N/A	N/A	N/A

While Elections ACT does not usually maintain a vehicle, in an election year it is operationally necessary, for materials management and set up of electronic polling places, to use a number of vehicles. A total of 12 vehicles were hired during 2016/2017. One vehicle was hired for a period of seven months, two for three months and the others for shorter periods as required, varying from one or two days to a week.

Data on fuel use and kilometres travelled is taken from a combination of SG Fleet data, petty cash records and hire agreement records and is considered complete.

Table 31 — Water usage

Water usage	Unit	2016/2017	2015/2016	Percentage change
Water use	Kilolitres	49.03	44.74	N/A

ESP data for water usage is incomplete. Relevant data is unavailable for the tenancy in Eclipse House. Water costs for Eclipse House were borne by the building owner and incorporated into the rent charged for the tenancy. Data was not reported to ACT Property Group. Relevant data was also unavailable during the 2015/16 reporting period. A figure relating to percentage change is therefore unable to be provided.

Table 32 — Resource efficiency and waste

Resource efficiency and waste	Unit	2016/2017	2015/2016	Percentage change
Reams of paper purchased	Reams	165	75	120%
Recycled content of paper purchased	Percentage	100%	60%	66.6%
Waste to landfill	Litres	3,148.5	3,836	-17.92%
Co-mingled material recycled	Litres	2,022	1,679	20.43%
Paper and cardboard recycled (incl. secure paper)	Litres	3,630	948	282.9%
Organic material recycled	Litres	750	400	87.5%

The increased quantity of paper and cardboard recycled is due to the destruction of material from the previous ACT election, largely the ballot papers, as required under the relevant records disposal schedule. Data for this is supplied by the contractor responsible for secure and non-secure paper recycling and is complete.

Waste to landfill figure is calculated as a percentage, based on floor area, of the total waste collected for each building where Elections ACT held tenancy during 2016/17, for the period of that tenancy as detailed in ACT Property Group invoices. Elections ACT occupied 10.16% of Eclipse House for 5 months and 2.08% of North Building for 7 months. However, Elections ACT does not consider the figures provided to be an accurate reflection of the actual waste to landfill for the North Building tenancy as Elections ACT is the only Actsmart accredited tenant in the building. It is likely that the agency contributes a lower amount of waste to landfill than other tenants.

The increase in the quantity of co-mingled and organic material recycled is reflective of the increased staffing numbers required for the conduct of the ACT Legislative Assembly election coupled with greater education of staff in sustainability practices during induction with ongoing updates at staff meetings.

Table 33 — Greenhouse gas emissions

Greenhouse gas emissions	Unit	2016/2017	2015/2016	Percentage change
Emissions from stationary energy use	Tonnes CO2-e	20	25	-20%
Emissions from transport	Tonnes CO2-e	4	0	N/A
Total emissions	Tonnes CO2-e	24	25	-4%

While percentage change figures have been provided, it must be noted that these figures are based on incomplete data for gas and water usage, as noted in relation to tables 29 and 31.



Part C: Financial management reporting

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C.1 Financial management analysis

General overview

Objectives

The ACT Electoral Commission (the Commission) is an independent statutory authority with responsibility for the:

- Conduct of elections and referendums for the ACT Legislative Assembly;
- Determination of electoral boundaries for the ACT; and
- Provision of electoral advice and services to a wide range of clients.

The Commission comprises three statutory office holders – a part-time Chairperson, a full-time Electoral Commissioner and another part-time member. The members of the Commission are independent officers of the ACT Legislative Assembly. The Commission reports to the Legislative Assembly through the Speaker.

The Electoral Commissioner is the Chief Executive Officer of the Commission. The Commissioner is assisted by officers employed under the *Public Sector Management Act 1994* and the *Electoral Act 1992*.

Risk management

Risk assessment and management is an integral part of the Commission's governance processes and systems. It underpins each of the components of the Commission's governance mechanisms including strategic and operational planning, business improvement initiatives, decision-making, review and compliance processes.

In accordance with the ACT Government Risk Management Policy and Framework, the Commission has a strategic risk register in place to ensure there are processes for identifying risks, assessing opportunities to improve performance and ensure appropriate actions are taken to avoid or reduce the chance of loss. The Commission's strategic risk register is reviewed quarterly by the Commission consistent with the principles and guidelines within Risk Management Standards AS/NZS ISO 31000:2009.

Financial performance

The following financial information is based on audited Financial Statements for 2015-16 and 2016-17, and the forward estimates contained in the 2017-18 Budget Statements.

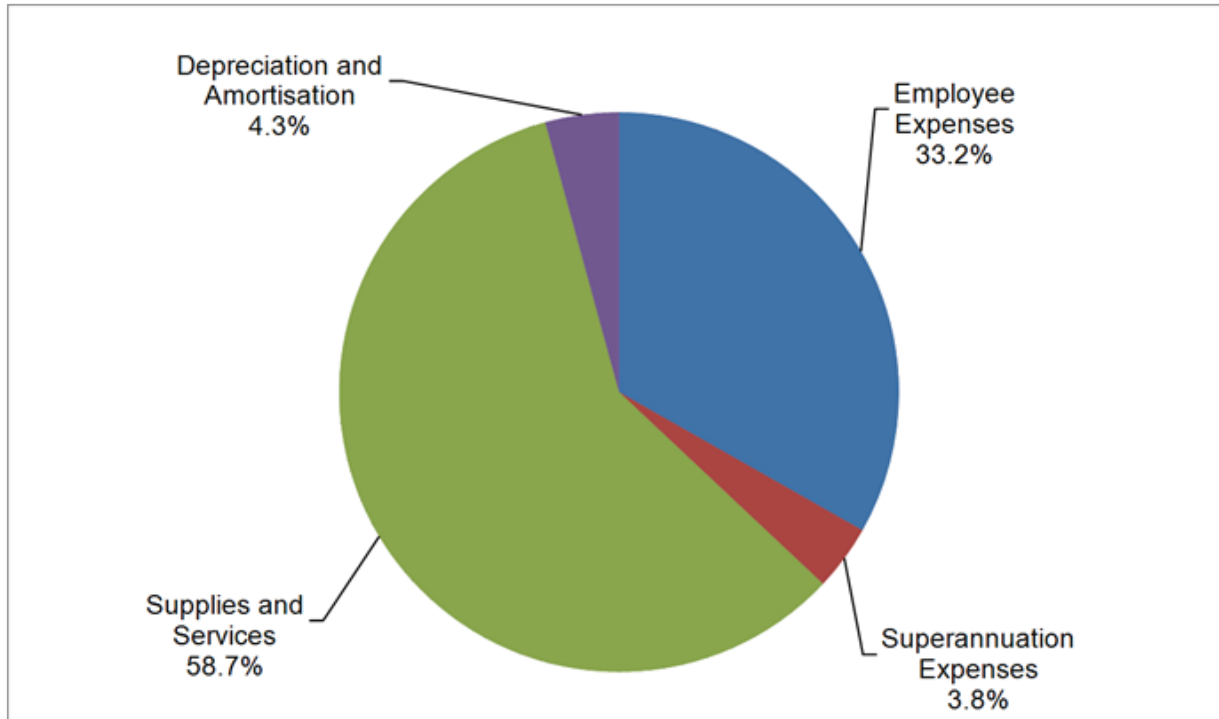
Total expenses

Components of expenses

Figure 2 shows the components of the Commission's expenses for 2016-17. The expenses consisted of:

- Supplies and services of \$4.436 million (58.7 percent);
- Employee expenses of \$2.509 million (33.2 percent);
- Depreciation and amortisation of \$0.321 million (4.3 percent); and
- Superannuation expenses \$0.286 million (3.8 percent).

Figure 2 – Components of expenses 2016-17



Comparison to budget

Total expenses were \$7.551 million and were \$0.643 million (7.8 percent) lower than the budget amount of \$8.194 million. The lower than budgeted result primarily relates to supplies and services expenses being \$0.573 million lower than budget, due to unspent funding for the 2016 ACT Legislative Assembly election. The main areas of unspent election funding were:

- Public funding to political parties;
- ICT hosting; and
- Materials and general printing costs

Comparison to 2015-16 actuals

Total expenses were \$7.551 million and were \$4.516 million (148.8 percent) higher than the 2015-16 result of \$3.035 million. The increase in expenses corresponds with the additional costs (employees, supplies and services) associated with the 2016 ACT Legislative Assembly election.

Future trends

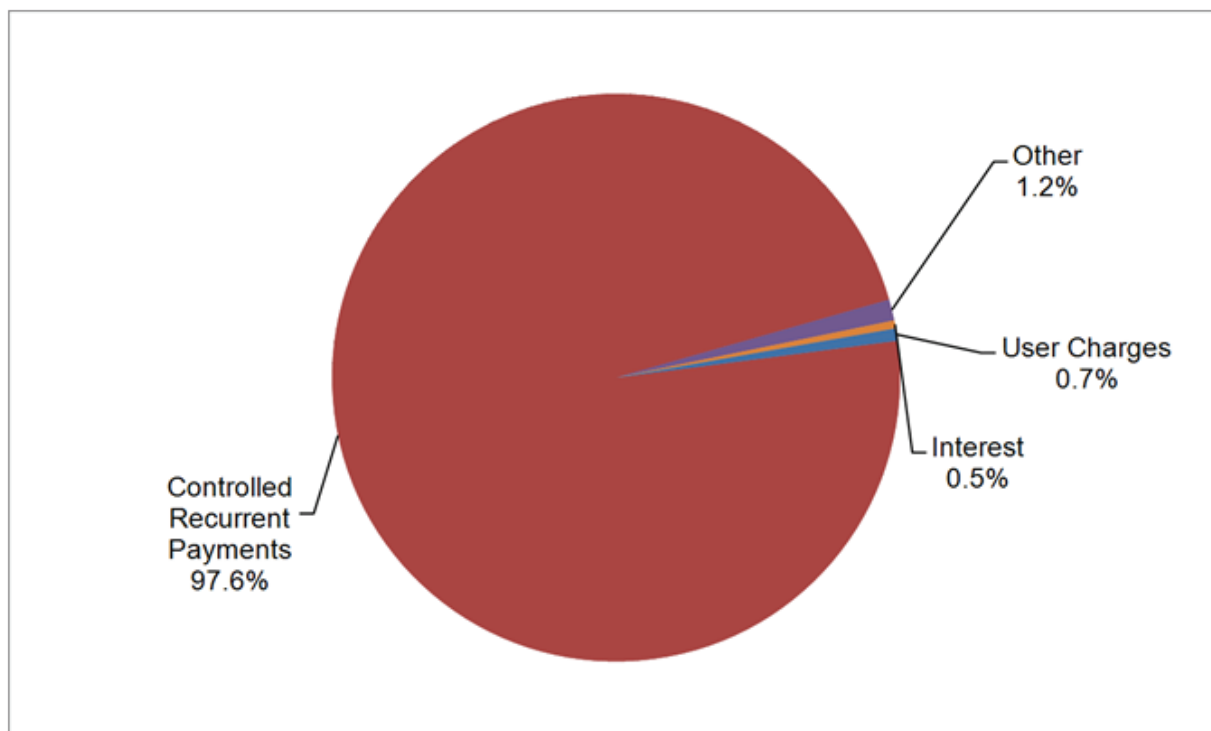
Expenses are expected to decrease to \$3.148 million in 2017-18. The decrease in expenses in 2017-18 corresponds with the four-year election cycle of the ACT Legislative Assembly, with the next election not scheduled until 2020.

Total income

Components of income

Figure 3 shows the components of the Commission's income for 2016-17. The Commission's main source of income is Controlled Recurrent Payments (CRP), which accounts for \$7.007 million (97.6 percent) of the Commission's total income.

Figure 3 – Components of income 2016-17



Comparison to budget

Income for the year was \$7.176 million and was \$0.706 million (9.0 percent) below budget. The lower than budgeted result is mainly due to funding requirements for the 2016 ACT Legislative Assembly election being lower than anticipated.

Comparison to 2015-16 actuals

Total income was \$7.176 million and was \$4.187 million (140.1 percent) higher than the 2015-2016 result of \$2.989 million. The increase in income relates to additional CRP received to cover costs associated with preparing for and conducting the 2016 ACT Legislative Assembly election.

Future trends

Income is expected to decrease to \$2.977 million in 2017-18. The decrease in income for 2017-18 corresponds with the four-year election cycle of the ACT Legislative Assembly, with the next election scheduled in 2020.

Financial position

Total assets

Components of total assets

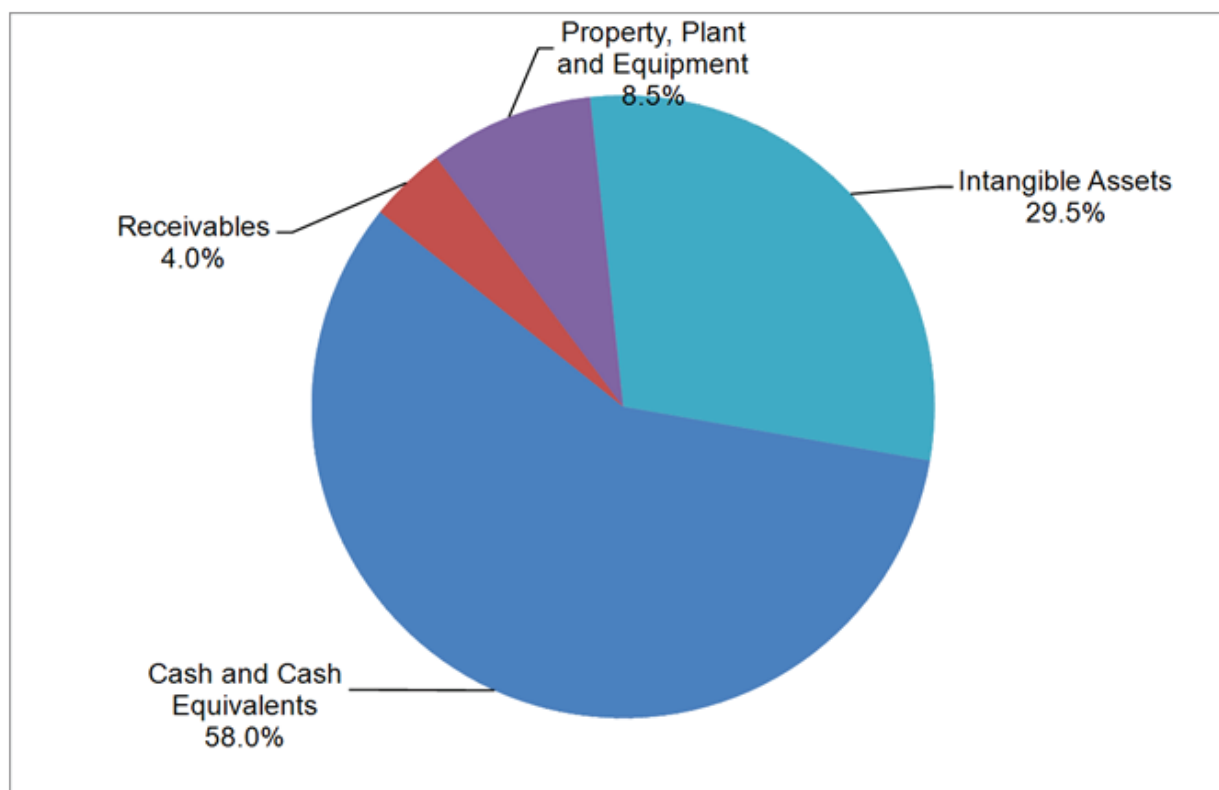
Figure 4 shows the components of the Commission's total assets at 30 June 2017. The main components were:

Cash and cash equivalents of \$0.883 million (58.0 percent);

Property, plant and equipment \$0.130 million (8.5 percent); and

Intangible assets of \$0.450 million (29.5 percent).

Figure 4 – Total assets at 30 June 2017



Comparison to budget

The Commission's total assets at 30 June 2017 were \$1.524 million and this was \$0.470 million (44.6 percent) higher than the budget of \$1.054 million. The higher than budgeted result mainly relates to the carried forward cash balance from 2015-16 being higher than anticipated.

Comparison to 30 June 2016 actuals

At 30 June 2017 total assets were \$1.524 million, consistent with 30 June 2016.

Future trends

Total assets held by the Commission are expected to reduce to \$1.276 million in 2017-18 in line with budget estimates. The expected reduction in assets mainly relates to the amortisation of the Commission's information, communication and technology (ICT) systems.

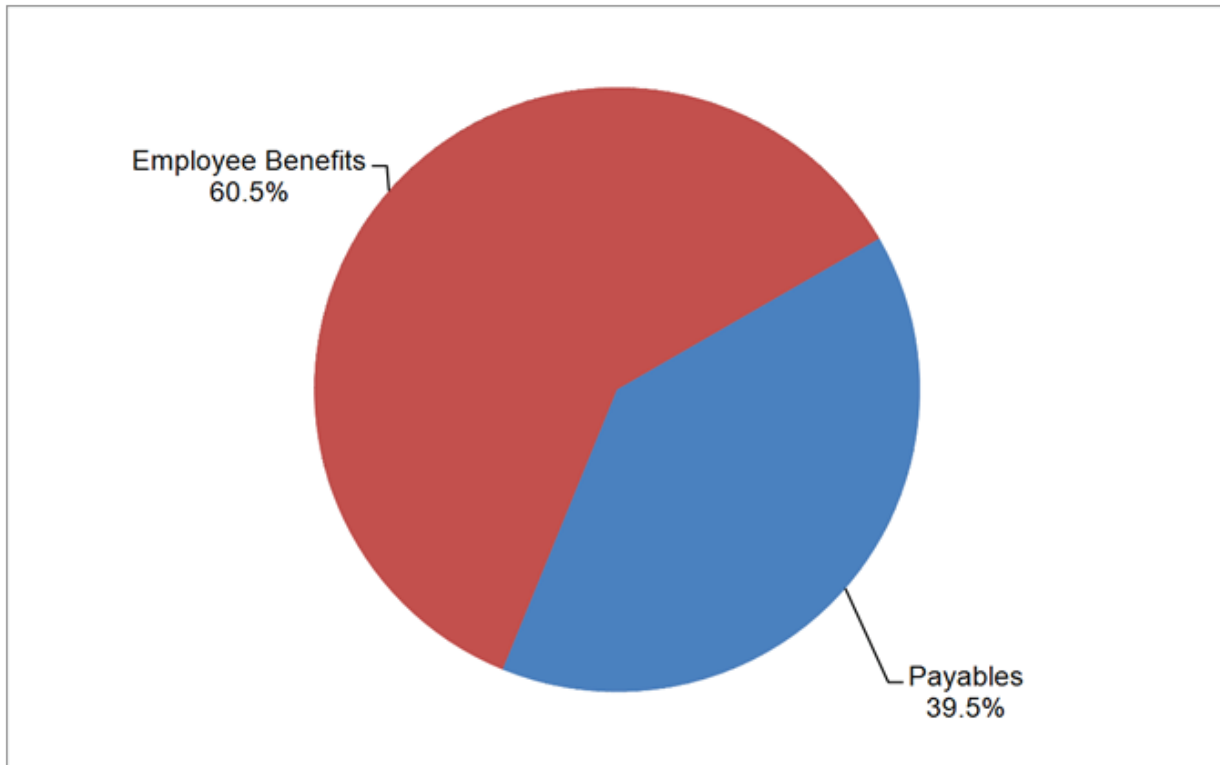
Total liabilities

Components of total liabilities

Figure 5 shows the components of the Commission's total liabilities at 30 June 2017. The components were:

- Employee benefits of \$0.435 million (60.5 percent); and
- Payables of \$0.284 million (39.5 percent).

Figure 5 – Total liabilities at 30 June 2017



Comparison to budget

At 30 June 2017, the Commission's total liabilities were \$0.719 million; this was \$0.324 million (82.0 percent) higher than the budget of \$0.395 million. The higher than budgeted result primarily relates to:

- Accrued payments that were not payable until after 30 June 2017; and
- Increases in employee entitlements due to staff not utilising their leave entitlements due to operational requirements associated with running the 2016 ACT Legislative Assembly election and 2017 ACT Aboriginal and Torres Strait Islander Elected Body (ATSIEB) election.

Comparison to 30 June 2016 actuals

Total liabilities at 30 June 2017 were \$0.719 million and exceeded the 30 June 2016 actuals of \$0.576 million.

Future trends

Total liabilities owed by the Commission are expected to reduce to \$0.471 million in 2017-18, with minimal fluctuations in the out years.

C.2 Financial statements



AUDITOR-GENERAL AN OFFICER
OF THE ACT LEGISLATIVE ASSEMBLY 

INDEPENDENT AUDIT REPORT

ACT ELECTORAL COMMISSION

To the Members of the ACT Legislative Assembly

Audit opinion

I am providing an **unqualified audit opinion** on the financial statements of the ACT Electoral Commission for the year ended 30 June 2017. These comprise the following financial statements and accompanying notes:

- Controlled financial statements – the operating statement, balance sheet, statement of changes in equity, cash flow statement and statement of appropriation; and
- Territorial financial statements – statement of income and expenses on behalf of the Territory, statement of assets and liabilities on behalf of the Territory, and cash flow statement on behalf of the Territory.

In my opinion, the financial statements:

- (i) are presented in accordance with the *Financial Management Act 1996*, Australian Accounting Standards and other mandatory financial reporting requirements in Australia; and
- (ii) present fairly the financial position of the ACT Electoral Commission and results of its operations and cash flows.

Basis for the audit opinion

The audit was conducted in accordance with the Australian Auditing Standards. I have complied with the requirements of the Accounting Professional and Ethical Standards 110 *Code of Ethics for Professional Accountants*.

I believe that sufficient evidence was obtained during the audit to provide a basis for the audit opinion.

Responsibility for preparing and fairly presenting the financial statements

The Electoral Commissioner is responsible for:

- preparing and fairly presenting the financial statements in accordance with the *Financial Management Act 1996* and relevant Australian Accounting Standards;
- determining the internal controls necessary for the preparation and fair presentation of financial statements so that they are free from material misstatements, whether due to error or fraud; and
- assessing the ability of the ACT Electoral Commission to continue as a going concern and disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting in preparing the financial statements.

Responsibility for the audit of the financial statements

Under the *Financial Management Act 1996*, the Auditor-General is responsible for issuing an audit report that includes an independent audit opinion on the financial statements of the ACT Electoral Commission.

As required by Australian Auditing Standards, the auditors:

- applied professional judgement and maintained scepticism;
- identified and assessed the risks of material misstatements due to error or fraud and implemented procedures to address these risks so that sufficient evidence was obtained to form an audit opinion. The risk of not detecting material misstatements due to fraud is higher than the risk due to error, as fraud may involve collusion, forgery, intentional omissions or misrepresentations or the override of internal controls;
- obtained an understanding of internal controls to design audit procedures for forming an audit opinion;
- evaluated accounting policies and estimates used to prepare the financial statements and disclosures made in the financial statements;
- evaluated the overall presentation and content of the financial statements, including whether they present the underlying transactions and events in a manner that achieves fair presentation;
- reported the scope and timing of the audit and any significant deficiencies in internal controls identified during the audit to the Electoral Commissioner; and
- assessed the going concern* basis of accounting used in the preparation of the financial statements.

(*Where the auditor concludes that a material uncertainty exists which cast significant doubt on the appropriateness of using the going concern basis of accounting, the auditor is required to draw attention in the audit report to the relevant disclosures in the financial statements or, if such disclosures are inadequate, the audit opinion is to be modified. The auditor's conclusions on the going concern basis of accounting are based on the audit evidence obtained up to the date of this audit report. However, future events or conditions may cause the entity to cease to continue as a going concern.)

Limitations on the scope of the audit

An audit provides a high level of assurance about whether the financial statements are free from material misstatements, whether due to fraud or error. However, an audit cannot provide a guarantee that no material misstatements exist due to the use of selective testing, limitations of internal control, persuasive rather than conclusive nature of audit evidence and use of professional judgement in gathering and evaluating evidence.

An audit does not provide assurance on the:

- reasonableness of budget information included in the financial statements;
- prudence of decisions made by the ACT Electoral Commission;
- adequacy of controls implemented by the ACT Electoral Commission; or
- integrity of audited financial statements presented electronically or information hyperlinked to or from the financial statements. Assurance can only be provided for the printed copy of the audited financial statements.



Dr Maxine Cooper
Auditor-General
21 August 2017

ACT Audit Office - Independent audit report

Statement of responsibility

In my opinion, the Financial Statements are in agreement with the ACT Electoral Commission's (the Commission's) accounts and records and fairly reflect the financial operations of the Commission for the year ended 30 June 2017 and the financial position of the Commission on that date.



Rohan Spence
Acting Electoral Commissioner
ACT Electoral Commission
16 August 2017

Statement by the Chief Finance Officer

In my opinion, the Financial Statements have been prepared in accordance with the Australian Accounting Standards, and are in agreement with the Commission's accounts and records and fairly reflect the financial operations of the Commission for the year ended 30 June 2017 and the financial position of the Commission on that date.



Scott Hickey
Chief Finance Officer
ACT Electoral Commission
16 August 2017



ACT ELECTORAL COMMISSION

CONTROLLED FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
30 JUNE 2017**

Operating statement for the year ended 30 June 2017

Income	Note No.	Actual 2017 \$'000	Original budget 2017 \$'000	Actual 2016 \$'000
Controlled Recurrent Payments	3	7,007	7,860	2,872
User Charges	4	50	22	51
Interest	5	33	-	11
Other	6	86	-	55
Total income		7,176	7,882	2,989
Expenses	Note No.	Actual 2017 \$'000	Original budget 2017 \$'000	Actual 2016 \$'000
Employee Expenses	7	2,509	2,521	1,226
Superannuation Expenses	8	286	335	175
Supplies and Services	9	4,435	5,008	1,339
Depreciation and Amortisation	10	321	330	295
Total expenses		7,551	8,194	3,035
Operating (Deficit)		(375)	(312)	(46)
Total Comprehensive (Deficit)		(375)	(312)	(46)

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

Balance sheet as at 30 June 2017

Current Assets	Note No.	Actual 2017 \$'000	Original budget 2017 \$'000	Actual 2016 \$'000
Cash and Cash Equivalents	12	883	375	825
Receivables	13	61	69	27
Total current assets		944	444	852
Non current assets	Note No.	Actual 2017 \$'000	Original budget 2017 \$'000	Actual 2016 \$'000
Property, Plant and Equipment	14	130	138	110
Intangible Assets	15	450	472	339
Capital Works in Progress	16	-	-	390
Total non current assets		580	610	839
Total assets		1,524	1,054	1,691
Current liabilities	Note No.	Actual 2017 \$'000	Original budget 2017 \$'000	Actual 2016 \$'000
Payables	17	284	193	210
Employee Benefits	18	426	185	355
Total current liabilities		710	378	565
Employee Benefits	18	9	17	11
Total non current liabilities		9	17	11
Total liabilities		719	395	576
Net assets		805	659	1,115
Equity	Note No.	Actual 2017 \$'000	Original budget 2017 \$'000	Actual 2016 \$'000
Accumulated funds		805	659	1,115
Total equity		805	659	1,115

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

Statement of changes in equity for the year ended 30 June 2017

For the year ended 30 June 2017	Note No.	Accumulated funds actual 2017 \$'000	Total equity actual 2017 \$'000	Original budget 2017 \$'000
Balance at 1 July 2016		1,115	1,115	923
Comprehensive income				
Operating (deficit)		(375)	(375)	(312)
Total comprehensive (deficit)		(375)	(375)	(312)
For the year ended 30 June 2017	Note No.	Accumulated funds actual 2017 \$'000	Total equity actual 2017 \$'000	Original budget 2017 \$'000
Transactions involving owners affecting accumulated funds				
Capital Injections		64	64	48
Total Transactions Involving Owners Affecting Accumulated Funds		64	64	48
Balance at 30 June 2017		805	805	659

For the year ended 30 June 2016	Note No.	Accumulated funds actual 2016 \$'000	Total equity actual 2016 \$'000
Balance at 1 July 2015		830	830
Comprehensive income			
Operating (deficit)		(46)	(46)
Total comprehensive (deficit)		(46)	(46)

For the year ended 30 June 2016	Note No.	Accumulated funds actual 2016 \$'000	Total equity actual 2016 \$'000
Transactions involving owners affecting accumulated funds			
Capital Injections		331	331
Total Transactions Involving Owners Affecting Accumulated Funds		331	331
Balance at 30 June 2016		1,115	1,115

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

Equity Contributed by the ACT Government

Contributions made by the ACT Government (Capital Injection), through its role as owner of the Commission are treated as contributions of equity.

Cash flow statement for the year ended 30 June 2017

Cash flows from operating activities	Note No.	Actual 2017 \$'000	Original budget 2017 \$'000	Actual 2016 \$'000
Receipts				
Controlled Recurrent Payments		7,007	7,860	2,872
User Charges		11	22	106
Other Gains		-	-	50
Interest Received		33	-	11
Goods and Services Tax Collected from Customers		-	-	23
Goods and Services Tax Input Credits from the Australian Taxation Office		215	-	119
Total receipts from operating activities		7,266	7,882	3,181
Payments	Note No.	Actual 2017 \$'000	Original budget 2017 \$'000	Actual 2016 \$'000
Employees		2,440	2,589	1,164
Superannuation		285	335	175
Supplies and Services		3,983	5,008	1,346
Grants and Purchased Services		291	-	-
Goods and Services Tax Paid to Suppliers		209	-	157
Total payments from operating activities		7,208	7,932	2,842
Net Cash Inflows/(Outflows) from Operating Activities	21	58	(50)	339
Cash flows from investing activities	Note No.	Actual 2017 \$'000	Original budget 2017 \$'000	Actual 2016 \$'000
Payments				
Capital Works in Progress		64	48	331
Total payments from investing activities		64	48	331
Net cash (outflows) from investing activities		(64)	(48)	(331)

Cash flows from financing activities	Note No.	Actual 2017 \$'000	Original budget 2017 \$'000	Actual 2016 \$'000
Receipts				
Capital injections		64	48	331
Total receipts from financing activities		64	48	331
Net cash inflows from financing activities		64	48	331

	Note No.	Actual 2017 \$'000	Original budget 2017 \$'000	Actual 2016 \$'000
Net increase/(decrease) in cash and cash equivalents held		58	(50)	339
Cash and cash equivalents at the beginning of the reporting period		825	425	486
Cash and cash equivalents at the end of the reporting period	21	883	375	825

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

Statement of appropriation for the year ended 30 June 2017

Controlled	Original budget 2017 \$'000	Total appropriated 2017 \$'000	Appropriation drawn 2017 \$'000	Appropriation drawn 2017 \$'000
Controlled Recurrent Payments (CRP)	7,860	7,625	7,007	2,872
Capital injections	48	337	64	331
Total controlled appropriation	7,908	7,962	7,071	3,203

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

Column Heading Explanations

The *Original Budget* column shows the amounts that appear in the Cash Flow Statement in the Budget Papers. This amount also appears in the Cash Flow Statement.

The *Total Appropriated column* is inclusive of all appropriation variations occurring after the Original Budget.

The *Appropriation Drawn* is the total amount of appropriation received by the Commission during the year. This amount appears in the Cash Flow Statement.

Reconciliation of Appropriation for 2016 17	CRP \$'000	Capital injections \$'000
Original Appropriation for 2016-17	7,860	48
CRP to Capital Injections (FMA s.14B)	(235)	235
Rollover of Undisbursed Appropriation (FMA s.16B)	-	54
Total controlled appropriation	7,625	337

Controlled Recurrent Payments (CRP)

Variances between 'Original Budget' and 'Total Appropriated'

The difference of \$235,000 between the *Original Budget* and the *Total Appropriated* is due to a transfer of funds under Section 14B of the *Financial Management Act 1996* (FMA) to Capital Injections appropriation to allow the Commission to undertake upgrade works across several of its information and communication (ICT) systems. Some of the upgrade works relate to recommendations made by the Auditor-General in the performance audit of the 2016 ACT Legislative Assembly election.

Variances between 'Total Appropriated' and 'Appropriation Drawn'

The difference of \$618,000 between the *Total Appropriated* and the *Appropriation Drawn* is mainly due to funding requirements for the 2016 ACT Legislative Assembly election being lower than anticipated, so the full amount of appropriated funds were not required.

Capital Injections

Variances between 'Original Budget' and 'Total Appropriated'

The difference of \$289,000 between the *Original Budget* and the *Total Appropriated* is primarily due to a transfer of funds under Section 14B of the FMA from CRP appropriation to allow the Commission to undertake upgrade works across several of its ICT systems. Some of the upgrade works relate to recommendations made by the Auditor-General in the performance audit of the 2016 ACT Legislative Assembly election.

Variances between 'Total Appropriated' and 'Appropriation Drawn'

The difference of \$273,000 between the *Total Appropriated* and the *Appropriation Drawn* is primarily due to delays in the upgrade works of the Commission's ICT systems.

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Note 14 - Property, Plant and Equipment

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Notes to and forming part of the financial statements for the year ended 30 June 2017

Note 1. OBJECTIVES OF THE ACT ELECTORAL COMMISSION

Operations and Principal Activities

The ACT Electoral Commission (the Commission) is an independent statutory authority with responsibility for the:

- conduct of elections and referendums for the ACT Legislative Assembly;
- determination of electoral boundaries for the ACT; and
- provision of electoral advice and services to a wide range of clients.

The Commission comprises three statutory office holders – a part-time Chairperson, a full time Electoral Commissioner and a part-time member. The members of the Commission are independent officers of the ACT Legislative Assembly. The Commission reports to the Assembly through the Speaker.

The Electoral Commissioner is the chief executive officer of the Commission. The Electoral Commissioner is assisted by officers employed under the *Public Sector Management Act 1994* and the *Electoral Act 1992*.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

Refer to the following appendices for the notes comprising significant accounting policies and other explanatory information.

Appendix A - Basis of Preparation of the Financial Statements

Appendix B - Significant Accounting Policies

Appendix C - Impact of Accounting Standards Issued But Yet to be Applied

Note 3. CONTROLLED RECURRENT PAYMENTS

Controlled Recurrent Payments is revenue received from the ACT Government to fund the costs of delivering outputs. The ACT Government pays this to the Commission on a fortnightly basis.

Revenue from the ACT Government	2017 \$'000	2016 \$'000
Controlled Recurrent Payments	7,007	2,872
Total Controlled Recurrent Payments	7,007	2,872

Total Controlled Recurrent Payments – The increase of \$4,135,000 relates to funding that was received to cover the cost of additional resources required to conduct the 2016 ACT Legislative Assembly election.

Note 4. USER CHARGES

User charges revenue is derived by providing goods and services to other ACT Government agencies and to the public. User charges revenue is paid by the user of the goods or services and legally retained by the Commission. This revenue is driven by consumer demand and is commercial in nature.

User Charges - ACT Government	2017 \$'000	2016 \$'000
Professional Services	34	20
Total User Charges - ACT Government	34	20

Total User Charges – ACT Government – The increase of \$14,000 in Professional Services is mainly due to the 2017 ACT Aboriginal and Torres Strait Islander Elected Body (ATSIEB) election. ATSIEB elections are not conducted annually.

User Charges - Non-ACT Government	2017 \$'000	2016 \$'000
Professional Services	16	31
Total User Charges - Non-ACT Government	16	31
Total User Charges for Goods and Services	50	51

Total User Charges – Non-ACT Government – The decrease of \$15,000 is mainly due to some of the entities to which the Electoral Commission provides electoral services, not conducting elections on an annual basis.

Note 5. INTEREST

Revenue from non-ACT Government entities	2017 \$'000	2016 \$'000
Interest revenue	33	11
Total interest revenue from non-ACT Government entities	33	11
Total interest revenue	33	11

Total Interest Revenue – The Increase of \$22,000 is the result of higher cash balances being held throughout the year.

Note 6. OTHER

Resources received free of charge	2017 \$'000	2016 \$'000
ACT Government Solicitor - Legal Services	86	5
Total resources received free of charge	86	5

Total Resources Received Free of Charge – The increase of \$81,000 relates to legal services obtained from the ACT Government Solicitor's Office on the application of the *Electoral Act 1992* to various matters. These legal services were received free of charge.

Revenue from non-ACT Government entities	2017 \$'000	2016 \$'000
Northern Territory Electoral Commission contribution	-	50
Total interest revenue from non-ACT Government entities	-	50
Total other	86	55

Total from Non-ACT Government Entities – The decrease of \$50,000 relates to a one-off contribution in 2015-16 from the Northern Territory Electoral Commission (NTEC) towards the development of the ACT Election management system.

Note 7. EMPLOYEE EXPENSES

Employee expenses	2017 \$'000	2016 \$'000
Wages and Salaries	2,426	1,126
Annual Leave	49	13
Long Service Leave	14	78
Workers' Compensation Insurance Premium	16	8
Other Employee Benefits and On-Costs	4	1
Total employee expenses	2,509	1,226

Total Employee Expenses – The increase of \$1,283,000 corresponds with additional staff that were employed on a temporary basis to assist with the 2016 Legislative Assembly election. In 2016-17 the Commission's average full-time equivalent (FTE) staff was 13.4 (2015-16 FTE 9.8). The Commission also employed 768 casual staff to assist with the 2016 Legislative Assembly election.

Note 8. SUPERANNUATION EXPENSES

Superannuation expenses	2017 \$'000	2016 \$'000
Superannuation Contributions to the Territory Banking Account	116	93
Productivity Benefit	16	13
Superannuation to External Providers	154	69
Total superannuation expenses	286	175

Total Superannuation Expenses – The increase of \$111,000 corresponds with additional staff that were employed on a temporary basis to assist with the 2016 Legislative Assembly election. In 2016-17 the Commission's average full-time equivalent (FTE) staff was 13.4 (2015-16 FTE 9.8). The Commission also employed 768 casual staff to assist with the 2016 Legislative Assembly election.

Note 9. SUPPLIES AND SERVICES

Supplies and services	2017 \$'000	2016 \$'000
Computing, Information Technology and Telecommunications	141	79
Accommodation, Rent, Hire and Utilities	393	240
Professional Services	356	109
Service Agreements	376	279
Office Supplies, Minor Equipment and Advertising	748	189
Administrative Expenditure Funding to Political Parties ^(a)	2,202	364
Other Expenses	219	79
Total supplies and services	4,435	1,339

Total Supplies and Services – The increase of \$3,096,000 mainly relates to the 2016 ACT Legislative Assembly election, due to increased resource requirements (e.g. office accommodation, facility hire, office supplies, equipment, ICT hosting, and advertising) and public funding payments to Political Parties (these payments are included in the 2017 Administrative Expenditure Funding to Political Parties figures).

- a. Administrative Expenditure Funding to Political Parties – this item includes:
 - i. payments made under the *Electoral Act 1992* to political parties with representation in the Assembly to support the party with meeting their financial disclosure reporting obligations; and
 - ii. election funding payments made to parties and non party candidates who achieved at least 4% of the total number of formal first preference votes cast in the relevant electorate during the ACT Legislative Assembly election.

Note 10. DEPRECIATION AND AMORTISATION

Depreciation	2017 \$'000	2016 \$'000
Plant and equipment	3	4
Leasehold improvements	18	16
Total depreciation	21	20
Amortisation	2017 \$'000	2016 \$'000
Intangible assets	300	275
Total amortisation	300	275
Total depreciation and amortisation	321	295

Total Depreciation and Amortisation – The increase of \$26,000 mainly relates to amortisation of software enhancements that were necessary to conduct the 2016 ACT Legislative Assembly election.

NOTE 11. AUDITOR'S REMUNERATION

Auditor's remuneration consists of financial audit services provided to the Commission by the ACT Audit Office.

Audit Services	2017 \$'000	2016 \$'000
Audit Fees Paid or Payable to the ACT Audit Office	33	33
Total audit services	33	33

No other services were provided by the ACT Audit Office.

Note 12. CASH AND CASH EQUIVALENTS

The Commission held a bank account with Westpac Bank as part of the whole of government banking arrangements. As part of these arrangements, the Commission earns interest revenue on the balance of this account.

Cash and cash equivalents	2017 \$'000	2016 \$'000
Cash at bank	882	824
Cash on hand	1	1
Total cash and cash equivalents	883	825

Note 13. RECEIVABLES

Current receivables	2017 \$'000	2016 \$'000
Trade receivables	14	6
	14	6
Goods and Services Tax (GST) Receivable	15	21
Accrued Revenue	32	-
Total current receivables	61	27

No receivables are past due or impaired.

Classification of ACT Government / Non-ACT Government receivables

Receivables with ACT Government Entities	2017 \$'000	2016 \$'000
Net Trade Receivables	7	-
Accrued Revenue	32	-
Total Receivables with ACT Government Entities	39	-

Receivables with Non-ACT Government Entities	2017 \$'000	2016 \$'000
Net Trade Receivables	7	6
Net Goods and Services Tax Receivable	15	21
Total Receivables with Non-ACT Government Entities	22	27
Total Receivables	61	27

Total Receivables – The increase of \$34,000 mainly relates to the 2017 ACT Aboriginal and Torres Strait Islander Elected Body (ATSIEB) election. ATSIEB elections are not conducted annually.

NOTE 14. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment include the following classes of assets – leasehold improvements and plant and equipment.

Plant and equipment includes office and computer equipment, furniture and fittings, other mechanical and electronic equipment, and libraries.

Leasehold improvements	2017 \$'000	2016 \$'000
Leasehold improvements at cost	170	129
Less: Accumulated depreciation	(50)	(32)
Total written-down value of leasehold improvement	120	97
Plant and equipment	2017 \$'000	2016 \$'000
Plant and equipment at cost	22	22
Less: Accumulated depreciation	(12)	(9)
Total written-down value of plant and equipment	10	13
Total written-down value of property, plant and equipment	130	110

Total Written Down Value of Property, Plant and Equipment – The increase of \$20,000 mainly relates to the refurbishment of the Commission's office space.

Reconciliation of Property, Plant and Equipment

The following table shows the movement of Property, Plant and Equipment during 2016-17.

	Leasehold improvements \$'000	Plant and equipment \$'000	Total \$'000
Carrying amount at the beginning of the reporting period	97	13	110
Additions	41	-	41
Depreciation	(18)	(3)	(21)
Carrying amount at the end of the reporting period	120	10	130

Reconciliation of Property, Plant and Equipment

The following table shows the movement of Property, Plant and Equipment during 2015-16.

	Leasehold improvements \$'000	Plant and equipment \$'000	Total \$'000
Carrying amount at the beginning of the reporting period	113	18	131
Depreciation	(16)	(5)	(21)
Carrying amount at the end of the reporting period	97	13	110

NOTE 15. INTANGIBLE ASSETS

The Commission has internally generated software and externally purchased software.

Internally generated software	2017 \$'000	2016 \$'000
Computer Software at Cost	1,221	809
Less: Accumulated Amortisation	(796)	(513)
Total internally generated software	425	296
Externally purchased software	2017 \$'000	2016 \$'000
Computer software at cost	79	79
Less: accumulated amortisation	(54)	(36)
Total externally purchased software	25	43
Total intangible assets	450	339

Total Intangible Assets – The increase of \$111,000 mainly relates to the upgrade of the Commission's ICT systems for the 2016 ACT Legislative Assembly election.

Reconciliation of Intangible Assets

The following table shows the movement of each class of intangible assets distinguishing between internally generated and externally purchased intangibles from the beginning to the end of 2016-17

	Internally generated software \$'000	Externally purchased software \$'000	Total \$'000
Carrying amount at the beginning of the reporting period	296	43	339
Additions	411	-	411
Amortisation	(282)	(18)	(300)
Carrying amount at the end of the reporting period	425	25	450

The following table shows the movement of each class of intangible assets distinguishing between internally generated and externally purchased intangibles from the beginning to the end of 2015-16

	Internally generated software \$'000	Externally purchased software \$'000	Total \$'000
Carrying amount at the beginning of the reporting period	552	61	613
Amortisation	(256)	(18)	(274)
Carrying amount at the end of the reporting period	296	43	339

NOTE 16. CAPITAL WORKS IN PROGRESS

Capital Works in Progress are assets being constructed over periods of time in excess of the present reporting period. These assets often require extensive installation work or integration with other assets, and contrast with simpler assets that are ready for use when acquired, such as motor vehicles and equipment. Capital Works in Progress are not depreciated as the Commission is not currently deriving any economic benefit from them.

Assets which are under construction may include plant and equipment, leasehold improvements and computer software.

	2017 \$'000	2016 \$'000
Leasehold Improvements	-	15
Computer Software	-	375
Total capital works in progress	-	390

Total Capital Works in Progress – The decrease of \$390,000 is due to upgraded ICT systems for the 2016 ACT Legislative Assembly election being reclassified to Intangible Assets when they became operational.

Reconciliation of Capital Works in Progress

The following table shows the movement of Capital Works in Progress during 2016-17.

	Leasehold improvements work in progress \$'000	Software works in progress \$'000	Total \$'000
Carrying amount at the beginning of the reporting period	15	375	390
Additions	26	37	63
Capital works in progress completed and transferred to property, plant and equipment	(41)	(412)	(453)
Carrying amount at the end of the reporting period	-	-	-

Reconciliation of Capital Works in Progress

The following table shows the movement of Capital Works in Progress during 2015-16.

	Leasehold improvements work in progress \$'000	Software works in progress \$'000	Total \$'000
Carrying amount at the beginning of the reporting period	-	58	58
Additions	15	317	332
Carrying amount at the end of the reporting period	15	375	390

NOTE 17. PAYABLES

Current payables	2017 \$'000	2016 \$'000
Trade payables	1	6
Accrued expenses	283	204
Total current payables	284	210

Total current payables are amounts payable for goods and services provided to the Commission prior to the end of the reporting period and are recognised at the amount to be paid for these goods and services when the liabilities are settled.

Payables are aged as follows:

	2017 \$'000	2016 \$'000
Not overdue	284	210
Total payables	284	210

Classification of ACT Government/non-ACT Government payables

Payables with ACT Government entities	2017 \$'000	2016 \$'000
Accrued expenses	51	82
Total payables with ACT Government entities	51	82
Payables with non-ACT Government entities	2017 \$'000	2016 \$'000
Trade payables	1	6
Accrued expenses	232	122
Total payables with non-ACT Government entities	233	128
Total payables	284	210

Total Payables – The increase of \$74,000 is mainly due to accrued expenses to Non-ACT Government Entities being higher as a result of increased Administrative Expenditure Funding to Political Parties due to the ACT Legislative Assembly increasing from 17 to 25 members.

NOTE 18. EMPLOYEE BENEFITS

At 30 June 2017, the Commission employed 11 Full Time Equivalent (FTE) staff (30 June 2016, 15 FTE staff).

Current employee benefits	2017 \$'000	2016 \$'000
Annual leave	149	100
Long service leave	257	242
Accrued salaries	19	13
Total current employee benefits	426	355

Non current employee benefits	2017 \$'000	2016 \$'000
Long service leave	9	11
Total non current employee benefits	9	11
Total employee benefits	435	366

Estimate of when leave is payable

Estimated amount payable within 12 months	2017 \$'000	2016 \$'000
Annual leave	93	85
Long service leave	14	3
Accrued salaries	19	13
Total employee benefits payable within 12 months	126	101

Estimated amount payable after 12 months	2017 \$'000	2016 \$'000
Annual leave	56	15
Long service leave	252	250
Total employee benefits payable after 12 months	308	265
Total employee benefits	435	366

Total Employee Benefits – The increase of \$69,000 is mainly due to staff not utilising their leave entitlements due to operational requirements associated with running the 2016 ACT Legislative Assembly election and the 2017 ACT Aboriginal and Torres Strait Islander Elected Body (ATSIEB) election.

NOTE 19. FINANCIAL INSTRUMENTS

Details of the significant policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset and financial liability are disclosed in Note 2 (see Appendix B) *Significant Accounting Policies*.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The majority of the Commission's financial assets are held in floating interest rate arrangements. However, the Commission has no financial liabilities that are subject to a floating interest rate. This means that the Commission's only exposure is to movements in interest receivable. The weighted average interest rate was 2.37 percent for the year ended 30 June 2017 (2.81 percent for the year ended 30 June 2016).

Sensitivity Analysis

A sensitivity analysis has not been undertaken for the interest rate risk of the Commission as it has been determined that the possible impact on income and expenses or total equity from fluctuations in interest rates is immaterial.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Commission's credit risk is limited to the amount of the financial assets it holds net of any allowance for impairment.

Nearly all receivables consist of fees charged to ACT Government entities and other entities with strong credit histories.

Credit risk is therefore considered to be low.

Liquidity Risk

Liquidity risk is the risk that the Commission will encounter difficulties in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The main source of cash to pay these obligations is appropriation from the ACT Government which is paid on a fortnightly basis during the year. The Commission manages its liquidity risk by forecasting appropriation drawdown requirements to enable payment of anticipated obligations.

The Commission's exposure to liquidity risk is not considered material based on current assessment of risk.

Price Risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether these changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Commission holds no financial instruments that are subject to price risk. Accordingly, a sensitivity analysis has not been undertaken.

Carrying Amount of Each Category of Financial Asset and Financial Liability

Financial assets	2017 \$'000	2016 \$'000
Loans and receivables measured at amortised cost	46	6
Financial liabilities	2017 \$'000	2016 \$'000
Financial liabilities measured at amortised cost	284	210

The Commission does not have any financial assets in the 'Available for Sale' category, the 'Financial Assets at Fair Value through Profit and Loss' category or the 'Held to Maturity' category and as such, these categories are not included above. Also, the Commission does not have any financial liabilities in the 'Financial Liabilities at Fair Value through Profit and Loss' category, and as such, this category is not included above.

NOTE 20. COMMITMENTS

Capital Commitments

Capital commitments contracted at reporting date that have not been recognised as liabilities, are payable as follows:

Capital commitments	2017 \$'000	2016 \$'000
Within one year	-	42
Total capital commitments	-	42

Total Capital Commitments - The decrease of \$42,000 relates to the upgrade of the Commission's ICT systems that were completed for the 2016 ACT legislative Assembly election.

Other Commitments

Other commitments contracted at reporting date that have not been recognised as liabilities, are payable as follows:

Other commitments	2017 \$'000	2016 \$'000
Within one year	876	790
Later than one year but not later than five years	2,505	1,140
Total other commitments	3,381	1,930

Total Other Commitments - The increase of \$1,365,000 mainly relates to an increased commitment for administrative expenditure funding to political parties, with Members elected to the Legislative Assembly (MLAs) increasing from 17 to 25 at the 2016 ACT Legislative Assembly election.

Operating lease commitments

Non-cancellable operating lease commitments are payable as follows:

Operating lease commitments	2017 \$'000	2016 \$'000
Within one year	75	197
Later than one year but not later than five years	311	329
Total operating lease commitments	386	526

Total Operating Leases Commitments – The decrease of \$140,000 mainly relates to a reduction in accommodation requirements, following the conclusion of the 2016 ACT Legislative Assembly election.

NOTE 21. CASH FLOW RECONCILIATION

(a) Reconciliation of cash and cash equivalents at the end of the reporting period in the cash flow statement to the equivalent items in the balance sheet.		2017 \$'000	2016 \$'000
Total cash and cash equivalents recorded in the balance sheet		883	825
Cash and cash equivalents at the end of the reporting period as recorded in the cash flow statement		883	825
(b) Reconciliation of the operating (deficit) to net cash inflows from operating activities.		2017 \$'000	2016 \$'000
Operating (deficit)		(375)	(46)
Add/(less) non cash items			
Depreciation of property, plant and equipment		21	20
Amortisation of intangibles		300	275
Cash (outflow)/inflow before changes in operating assets and liabilities		(54)	249
Changes in operating assets and liabilities		2017 \$'000	2016 \$'000
(Increase)/decrease in receivables		(34)	41
Increase/(decrease) in payables		76	(14)
Increase in employee benefits		70	63
Net changes in operating assets and liabilities		112	90
Net cash inflows from operating activities		58	339

NOTE 22. RELATED PARTY DISCLOSURES

A related party is a person that controls or has significant influence over the reporting entity, or is a member of the Key Management Personnel (KMP) of the reporting entity or its parent entity, and includes their close family members and entities in which the KMP and/or their close family members individually or jointly have controlling interests.

KMP are those persons having authority and responsibility for planning, directing and controlling the activities of the Commission, directly or indirectly.

KMP of the Commission are the part-time Chairperson, full-time Commissioner and part-time member.

This note does not include typical citizen transactions between the KMP and the Commission that occur on terms and conditions no different to those applying to the general public.

(A) KEY MANAGEMENT PERSONNEL

A.1 Compensation of Key Management Personnel

All of the KMP of the Commission are employed and compensated by the Commission.

Compensation by the Commission to KMP is set out below.

	2017 \$'000
Short-term employee benefits	361
Post employment benefits	46
Other long-term benefits	9
Termination benefits	0
Total Compensation by the Commission to KMP	416

A.2 Transactions with Key Management Personnel

There were no transactions with KMP that were material to the financial statements of the Commission.

NOTE 23. BUDGETARY REPORTING

The following are brief explanations of major line item variances between budget estimates and actual outcomes. Variances are considered to be major variances if both of the following criteria are met:

- b. The line item is a significant line item: whether either the line item actual amount accounts for more than 10% of the relevant associated category (Income, Expenses and Equity totals) or more than 10% of the sub-element (e.g. Current Liabilities and Receipts from Operating Activities totals) of the financial statements; and
- c. The variances (original budget to actual) are greater than plus (+) or minus (-) 10% of the budget for the financial statement line item.

Operating Statement Line Items	Actual 2016-17 \$'000	Original budget ¹ 2016-17 \$'000	Variance \$'000	Variance %
Controlled Recurrent Payments ^a	7,007	7,860	(853)	(10.9)
Supplies and Services ^b	4,435	5,008	(573)	(11.4)

Variance Explanations

- a. Controlled Recurrent Payments – The variance of \$853,000 is mainly due to funding requirements for the 2016 ACT Legislative Assembly election being lower than anticipated.
- b. Supplies and Services - The variance of \$573,000 is mainly due to unspent election funding. The main areas of under spend were:
 - i. public funding to political parties;
 - ii. ICT hosting; and
 - iii. materials and general printing costs.

Balance Sheet Line Items	Actual 2016 17 \$'000	Original budget ¹ 2016 17 \$'000	Variance \$'000	Variance %
Cash and Cash Equivalents ^c	883	375	508	135.5
Current Payables ^d	284	193	91	47.2
Current Employee Benefits ^e	426	185	241	130.3

Variance explanations

- c. Cash and Cash Equivalents – The variance of \$508,000 is mainly due to the carried forward cash balance from 2015-16 being higher than anticipated.
 - d. Current Payables – The variance of \$91,000 mainly relates to the Commission not adjusting the budget to reflect an increase in Administrative Expenditure Funding to Political Parties as a result of increase in size of the ACT Legislative Assembly to 25 members.
 - e. Current Employee Benefits – The variance of \$241,000 mainly relates to:
 - i. staff not utilising their leave entitlements due to operational requirements associated with running the 2016 ACT Legislative Assembly election and the 2017 ACT Aboriginal and Torres Strait Islander Elected Body (ATSIEB) election; and
 - ii. staff movements and staff entitlements being calculated based on the higher salary of the positions they are acting in, rather than the salary of their nominal positions.
1. Original Budget refers to the amounts presented to the Legislative Assembly in the original budgeted financial statements in respect of the reporting period (2016-17 Budget Statements). These amounts have not been adjusted to reflect supplementary appropriation or appropriation instruments.

NOTE 23. BUDGETARY REPORTING CONTINUED

Statement of changes in equity

Variance explanations for these line items are covered in other financial statements.

Cash Flow Statement Line Items	Actual 2016 17 \$'000	Original ¹ budget ¹ 2016 17 \$'000	Variance \$'000	Variance %
Controlled Recurrent Payments ^f	7,007	7,860	(853)	(10.9)
Supplies and Services ^g	3,983	5,008	(1,025)	(20.5)
Capital Works in Progress ^h	64	48	16	33.3
Capital Injections ⁱ	64	48	16	33.3

Variance Explanations

- b. Controlled Recurrent Payments – The variance of \$853,000 is mainly due to funding requirements for the 2016 ACT Legislative Assembly election being lower than anticipated.
 - c. Supplies and Services – The variance of \$1,025,000 is mainly due to unspent election funding. The main areas of under spend were:
 - i. Public funding to political parties;
 - ii. ICT hosting; and
 - iii. Materials and general printing costs.
 - d. Capital Works in Progress – The variance of \$16,000 is mainly due to payment for the refurbishment of the Commission's office space.
 - e. Capital Injections – The variance of \$16,000 is mainly due to additional funding received for the refurbishment of the Commission's office space.
1. Original Budget refers to the amounts presented to the Legislative Assembly in the original budgeted financial statements in respect of the reporting period (2016-17 Budget Statements). These amounts have not been adjusted to reflect supplementary appropriation or appropriation instruments.



ACT ELECTORAL COMMISSION

TERRITORIAL FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
30 JUNE 2017**

Statement of income and expenses on behalf of the Territory for the year ended 30 June 2017

Income	Note No.	Actual 2017 \$'000
Revenue		
Fees and fines	25	148
Total income		148
Operating surplus		148

The above Statement of Income and Expenses on Behalf of the Territory should be read in conjunction with the accompanying notes.

Statement of assets and liabilities on behalf of the Territory at 30 June 2017

Current assets	Note No.	Actual 2017 \$'000
Cash and cash equivalents	26	148
Total current assets		148
Net assets		148

Equity	Note No.	Actual 2017 \$'000
Accumulated funds		148
Total equity		148

The above Statement of Assets and Liabilities on Behalf of the Territory should be read in conjunction with the accompanying notes.

Cash flow statement on behalf of the Territory for the year ended 30 June 2017

Cash flows from operating activities	Note No.	Actual 2017 \$'000
Receipts		
Fees and fines		148
Total receipts from operating activities		148
Payments		
Net cash inflows from operating activities	27	148
Net increase in cash and cash equivalents		148
Cash and cash equivalents at the beginning of the reporting period		-
Cash and cash equivalents at the end of the reporting period	27	148

The above Cash Flow Statement of Assets on Behalf of the Territory should be read in conjunction with the accompanying notes.

Note index

Note 24 - Significant accounting policies - Territorial

Income notes

Note 25 - Fees and fines - Territorial

Assets notes

Note 26 - Cash and cash equivalents - Territorial

Other notes

Note 27 - Cash flow reconciliation - Territorial

Notes to and forming part of the financial statements - Territorial for the year ending 30 June 2017

NOTE 24. SIGNIFICANT ACCOUNTING POLICIES – TERRITORIAL

The Commission's accounting policies are outlined in Note 2 Significant Accounting Policies. The policies outlined in Note 2 apply to both the Controlled and Territorial financial statements.

NOTE 25. FEES AND FINES - TERRITORIAL

	Actual 2017 \$'000
Non voter and other fines	129
Forfeited candidate deposits	19
Total fees and fines	148

NOTE 26. CASH AND CASH EQUIVALENTS - TERRITORIAL

	Actual 2017 \$'000
Cash at bank	148
Total cash and cash equivalents	148

NOTE 27. CASH FLOW RECONCILIATION – TERRITORIAL

a) Reconciliation of Cash and Cash Equivalents at the End of the Reporting Period in the Cash Flow Statement on Behalf of the Territory to the Related Items in the Statement of Assets and Liabilities on Behalf of the Territory.

	Actual 2017 \$'000
Total cash and cash equivalent disclosed on the statement of assets and liabilities on behalf of the Territory	148
Cash and cash equivalents at the end of the reporting period as recorded in the cash flow statement on behalf of the Territory	148

b) Reconciliation of the Operating Surplus to the Net Cash Inflows from Operating Activities

	Actual 2017 \$'000
Operating surplus	148
Add/(less) non-cash items	-
Cash before changes in operating assets and liabilities	148
Net cash inflows from operating activities	148

APPENDIX A - Basis of preparation of the financial statements

Forming part of note 2 of the Financial Statements for the year ended 30 June 2017

LEGISLATIVE REQUIREMENT

The *Financial Management Act 1996* (FMA) requires the preparation of annual financial statements for ACT Government Agencies.

The FMA and the *Financial Management Guidelines* issued under the FMA, requires the Commission's financial statements to include:

- i. an Operating Statement for the year;
- ii. a Balance Sheet at the end of the year;
- iii. a Statement of Changes in Equity for the year;
- iv. a Cash Flow Statement for the year;
- v. a Statement of Appropriation for the year;
- vi. the significant accounting policies adopted for the year; and
- vii. other statements as necessary to fairly reflect the financial operations of the agency during the year and its financial position at the end of the year.

These general-purpose financial statements have been prepared to comply with Australian Accounting Standards as required by the FMA. The financial statements have been prepared in accordance with:

- i. Australian Accounting Standards; and
- ii. ACT Accounting and Disclosure Policies.

ACCRUAL ACCOUNTING

The financial statements have been prepared using the accrual basis of accounting, which recognises the effects of transactions and events when they occur. The financial statements have also been prepared according to the historical cost convention and amortised cost of assets.

CURRENCY

These financial statements are presented in Australian dollars, which is the Commission's functional currency.

INDIVIDUAL REPORTING ENTITY

The Commission is an individual reporting entity.

CONTROLLED AND TERRITORIAL ITEMS

The Commission produces Controlled and Territorial financial statements. The Controlled financial statements include income, expenses, assets and liabilities over which the Commission has control. The Territorial financial statements include income, expenses, assets and liabilities that the Commission administers on behalf of the ACT Government, but does not control.

The purpose of the distinction between Controlled and Territorial is to enable an assessment of the Commission's performance against the decisions it has made in relation to the resources it controls, while maintaining accountability for all resources under its responsibility.

The basis of preparation described applies to both Controlled and Territorial financial statements except where specified otherwise.

REPORTING PERIOD

These financial statements state the financial performance, changes in equity and cash flows for the year ended 30 June 2017 together with the financial position of the Commission at 30 June 2017.

COMPARATIVE FIGURES

Budget Figures

To facilitate a comparison with the Budget Papers, as required by the FMA, budget information for 2016-17 has been presented in the financial statements. Budget numbers in the financial statements are the original budget numbers that appear in the Budget Papers.

Prior Year Comparatives

Comparative information has been disclosed in respect of the previous period for amounts reported in the financial statements, except where an Australian Accounting Standard does not require comparative information to be disclosed. No prior year comparatives for the Territorial financial statements have been reported, as there were no transactions in 2015-16.

Where the presentation or classification of items in the financial statements is amended, the comparative amounts have been reclassified where practical. Where a reclassification has occurred, the nature, amount and reason for the reclassification is provided.

Rounding

All amounts in the financial statements have been rounded to the nearest thousand dollars (\$'000). Use of "-" represents zero amounts or amounts rounded down to zero.

GOING CONCERN

The 2016-2017 financial statements have been prepared on a going concern basis as the Commission has been funded in 2017-18 Budget and Budget Papers include forward estimates for the Commission.

APPENDIX B - Significant accounting policies

Forming part of note 2 of the Financial Statements for the year ended 30 June 2017

Appendix B – Significant Accounting Policies applies to both the Controlled and Territorial financial statements. Accounting policies specific to Territorial Authorities are listed below under the heading Territorial – Significant Accounting Policies.

SIGNIFICANT ACCOUNTING POLICIES – INCOME

NOTE 3 – CONTROLLED RECURRENT PAYMENTS

Controlled Recurrent Payments are recognised as revenues when the Commission gains control over the funding. Control over appropriated funds is obtained upon the receipt of cash.

Effective from 1 July 2016 the term appropriation for the provision of outputs (or Government Payment for Outputs) was replaced with the term Controlled Recurrent Payments to better reflect the nature of this type of appropriation.

NOTE 4 – USER CHARGES

Rendering of Services

Revenue from the rendering of services is recognised when the stage of completion of the transaction at the reporting date and the costs of rendering those services can be measured reliably.

NOTE 5 – INTEREST

Interest revenue is recognised using the effective interest method.

NOTE 6 – OTHER

Resources received free of charge

Resources received free of charge are recorded as a revenue and as an expense in the Operating Statement at fair value. The revenue is separately disclosed under resources received free of charge, with the expense being recorded in the line item to which it relates. Goods and services received free of charge from ACT Government agencies are recorded as resources received free of charge.

Services that are received free of charge are only recorded in the Operating Statement if they can be reliably measured and would have been purchased if not provided to the Commission free of charge.

SIGNIFICANT ACCOUNTING POLICIES – EXPENSES

NOTE 7 – EMPLOYEE EXPENSES

Employee benefits include:

- Short-term employee benefits such as wages and salaries, annual leave loading, and applicable on-costs, if expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the services;
- Other long-term benefits such as long service leave and annual leave; and
- Termination benefits.

On-costs include annual leave, long service leave, superannuation and other costs that are incurred when employees take annual leave and long service leave.

(See Appendix B – Note 18 Employee Benefits for accrued wages and salaries, and annual and long service leave).

NOTE 8 – SUPERANNUATION EXPENSES

The Commission receives funding for superannuation payments as part of the Controlled Recurrent Payments. The Commission makes fortnightly payments to the Territory Banking Account to extinguish its superannuation liability for employees who are members of the Commonwealth Superannuation Scheme (CSS) and the Public Sector Superannuation Scheme (PSS). This payment does not include the CSS and PSS productivity component which is paid directly to the Commonwealth Superannuation Corporation (CSC) by the Commission. The CSS and PSS are defined benefit superannuation plans meaning that the defined benefits received by employees are based on the employee's years of service and average final salary.

Superannuation payments have also been made directly to superannuation funds for those members of the Public Sector who are part of superannuation accumulation schemes. This includes the Public Sector Superannuation Scheme Accumulation Plan (PSSAP) and schemes of employee choice.

The Commission's accruing superannuation liability obligations are expensed as they are incurred.

SUPERANNUATION LIABILITY RECOGNITION

The superannuation liability for the Territory's relevant share of the employer financial portion of entitlements of all employees participating in the CSS and PSS schemes who become Territory employees with effect on or after 1 July 1989 is recognised at a total Territory level in the Chief Minister, Treasury and Economic Development Directorate's Superannuation Provision Account.

The ACT Government reimburses the CSC annually for the Territory's share of the employer superannuation benefits paid to entitled Territory employees who are, or were members of the CSS and PSS. These reimbursement payments are made from the Superannuation Provision Account.

SIGNIFICANT ACCOUNTING POLICIES – EXPENSES CONTINUED

NOTE 9 – SUPPLIES AND SERVICES

Insurance

The Commission ensures major risks are insured through the ACT Insurance Authority. The excess payable, under this arrangement, varies depending on each class of insurance held.

Repairs and Maintenance

Maintenance expenses, which do not increase the service potential of an asset, are expensed.

Operating Leases

Operating leases do not effectively transfer to the Commission substantially all the risks and rewards incidental to ownership of the asset under an operating lease. Operating lease payments are recorded as an expense in the Operating Statement on a straight-line basis over the term of the lease.

NOTE 10 – DEPRECIATION AND AMORTISATION

Amortisation is used in relation to intangible assets such as software and depreciation is applied to physical assets such as buildings, plant and equipment.

All depreciation is calculated after first deducting any residual value which remains for each asset.

Depreciation/amortisation for noncurrent assets is determined as follows:

Depreciation/amortisation method		Useful life years
Leasehold Improvements	Straight Line	2 - 10
Plant and Equipment	Straight Line	2 - 10
Externally Purchased Intangibles	Straight Line	4 - 5
Internally Generated Intangibles	Straight Line	4 - 5

The useful lives of all major assets held are reassessed on an annual basis.

SIGNIFICANT ACCOUNTING POLICIES – ASSETS

ASSETS – CURRENT AND NON-CURRENT

Assets are classified as current or non-current in the Balance Sheet and in the relevant notes. Assets are classified as current where they are expected to be realised within 12 months after the reporting date.

Assets which do not fall within the current classification are classified as non-current.

NOTE 12 – CASH AND CASH EQUIVALENTS

Cash includes cash at bank and cash on hand. Agency money held in the Territory Banking Account Cash Fund is classified as a cash equivalent.

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

NOTE 13 – RECEIVABLES

Accounts Receivables

Accounts receivable (including trade receivables and other trade receivables) are initially recognised at fair value and are subsequently measured at amortised cost, with any adjustments to the carrying amount being recorded in the Operating Statement.

Impairment Losses – Receivables

The allowance for impairment losses represents the amount of trade receivables and other receivables the Commission estimates will not be paid. The allowance for impairment losses is based on objective evidence and a review of overdue balances. The factors that the Commission considers as objective evidence of impairment include:

- Becoming aware of financial difficulties of debtors;
- Becoming probable that the debtor will not make payment;
- Default payments; or
- Debts more than 90 days overdue.

NOTE 14 – PROPERTY, PLANT AND EQUIPMENT

Acquisition and Recognition of Property, Plant and Equipment

Property, plant and equipment (PPE) is initially recorded at cost.

Where property, plant and equipment is acquired at no cost, or minimal cost, cost is its fair value as at the date of acquisition. However, property, plant and equipment acquired at no cost or minimal cost as part of a restructuring of administrative arrangements is measured at the transferor's book value.

Property, plant and equipment with a minimum value of \$5,000 (ex GST) is capitalised.

Measurement of Property, Plant and Equipment after Initial Recognition

Property, plant and equipment is measured at cost. The Commission has made a significant estimate in determining the useful lives of its PPE. The estimation of useful lives of PPE is based on the historical experience of similar assets. The useful lives are assessed on an annual basis and adjustments are made when necessary.

Disclosures concerning assets useful life (see Appendix B - Note 10 Depreciation and Amortisation).

Impairment of Assets

The Commission assesses, at each reporting date, whether there is any indication that an asset may be impaired. Assets are also reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

NOTE 15 – INTANGIBLE ASSETS

The Commission's intangible assets are comprised of internally generated and externally acquired software for internal use.

Externally acquired software is recognised and capitalised when:

- a. It is probable that the expected future economic benefits that are attributable to the software will flow to the Commission;
- b. The cost of the software can be measured reliably; and
- c. The acquisition cost is equal to or exceeds \$50,000.

Internally generated software is recognised when it meets the general recognition criteria outlined above and where it also meets the specific recognition criteria relating to intangible assets arising from the development phase of an internal project.

Capitalised software has a finite useful life. Software is amortised on a straight-line basis over its useful life, over a period not exceeding 5 years.

Intangible Assets are measured at cost.

SIGNIFICANT ACCOUNTING POLICIES – LIABILITIES

LIABILITIES – CURRENT AND NON-CURRENT

Liabilities are classified as current when they are due to be settled within 12 months after the reporting date or the Commission does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Liabilities which do not fall within the current classification are classified as non-current.

NOTE 17 – PAYABLES

Payables are initially recognised at fair value based on the transaction cost and, subsequent to initial recognition, at amortised cost, with any adjustments to the carrying amount being recorded in the Operating Statement. All amounts are normally settled within 30 days after the invoice date.

Payables include Trade Payables and Accrued Expenses.

NOTE 18 – EMPLOYEE BENEFITS

Wages and Salaries

Accrued wages and salaries are measured at the amount that remains unpaid to employees at the end of the reporting period.

Annual and Long Service Leave

Annual and long service leave, including applicable on-costs that are not expected to be wholly settled before twelve months after the end of the reporting period when the employees render the related service, are measured at the present value of estimated future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to the future wage and salary levels, experience of employee departures and periods of service. At the end of each reporting period end, the present value of future annual leave and long service leave payments is estimated using market yields on Commonwealth Government bonds with terms to maturity that match, as closely as possible, the estimated future cash flows.

Annual leave liabilities have been estimated on the assumption that they will be wholly settled within three years. At 30 June 2017 the rate used to estimate the present value of future annual leave payments is 99.8% (30 June 2016: 101.4%).

At 30 June 2017, the rate used to estimate the present value of future payment for long service leave is 103.4% (30 June 2016: 114.7%). The use of a lower rate resulted in a decrease of \$29,100 to long service leave liabilities and related expenses.

The long service leave liability is estimated with reference to the minimum period of qualifying service. For employees with less than the required minimum period of seven years of qualifying service, the probability that employees will reach the required minimum period has been taken into account in estimating the provision for long service leave and applicable on-costs.

The provision for annual leave and long service leave includes estimated on-costs. As these on-costs only become payable if the employee takes annual and long service leave while in service, a probability that employees will take annual and long service leave while in service has been taken into account in estimating the liability for on-cost.

Annual leave and long service leave liabilities are classified as current liabilities in the Balance Sheet where there are no unconditional rights to defer the settlement of the liability for at least 12 months. Conditional long service leave liabilities are classified as non-current because the Commission has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

Significant Judgements and Estimates - Employee Benefits

Significant judgements have been applied in estimating the liability for employee benefits. The estimated liability for annual and long service leave requires a consideration of the future wage and salary levels, experience of employee departures, probability that leave will be taken in service and periods of service. The estimate also includes an assessment of the probability that employees will meet the minimum service period required to qualify for long service leave and that on-costs will become payable.

The significant judgements and assumptions included in the estimation of annual and long service leave liabilities include an assessment by an actuary. The Australian Government Actuary performed this assessment in May 2014. The assessment by an actuary is performed every 5 years. However, it may be performed more frequently if there is a significant contextual change in the parameters underlying the 2014 report. The next actuarial review is expected to be undertaken by May 2019.

SIGNIFICANT ACCOUNTING POLICIES – OTHER NOTES

NOTE 23 – BUDGETARY REPORTING

Significant Accounting Judgements and Estimates – Note 23: BUDGET REPORTING

Significant judgements have been applied in determining what variances are considered 'major variances'. Variances are considered major if both of the following criteria are met:

- The line item is a significant line item: where either the line item actual amount accounts for more than 10% of the relevant associated category (Income, Expenses and Equity totals) or more than 10% of the sub-element (e.g. Current Liabilities and Receipts from Operating Activities totals) of the financial statements; and
- The variances (original budget to actual) are greater than plus (+) or minus (-) 10% of the budget for the financial statement line item.

SIGNIFICANT ACCOUNTING POLICIES – SPECIFIC TO TERRITORIAL – INCOME

NOTE 25 – FEES AND FINES – TERRITORIAL

Fees are either recognised as revenue at the time of payment or when the fee is incurred. Fines are recognised as revenue on the issue of the relevant infringement notice. Where the fine attracts a penalty for late payment, the penalty amount is recognised as revenue on issue of the late payment notice.

TERRITORIAL NOTES REFERENCED TO CONTROLLED NOTES

NOTE 26 – CASH AND CASH EQUIVALENTS – TERRITORIAL

See Appendix B: Note 12 Cash and Cash Equivalents.

APPENDIX C - Impact of accounting standards issued but not yet to be applied

Forming part of note 2 of the Financial Statements for the year ended 30 June 2017

Appendix C - impact of accounting standards issued but yet to be applied concerns both the Controlled and Territorial financial statements. Where specific to Territorial they are listed below under the heading Territorial.

ACCOUNTING STANDARDS ISSUED BUT YET TO BE APPLIED

The following new and revised accounting standards and interpretations have been issued by the Australian Accounting Standards Board (AASB) but do not apply to the current reporting period. These standards and interpretations are applicable to future reporting periods. The Commission does not intend to adopt these standards and interpretations early. Where applicable, these Australian Accounting Standards will be adopted from their application date.

- **AASB 15 Revenue from Contracts with Customers** (application date 1 January 2018 for for-profit entities, 1 January 2019 for not-for-profit entities);

AASB 15 is the new standard for revenue recognition. It establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces AASB 111 Construction Contracts and AASB 118 Revenue. The Commission is currently assessing the impact of this standard and has identified there could be a potential impact on the timing of the recognition of revenue for user charges. At this stage, the Commission is not able to estimate the impact of this new standard on its financial statements. The Commission will make a more detailed assessment of the impact over the next 12 months.

- **AASB 2016-7 Amendments to Australian Accounting Standards** – Deferral of AASB 15 for Not-for-profit Entities (application date 1 Jan 2017, which was the original mandatory effective date of AASB 15)

This standard amends the mandatory effective date of AASB 15 for not-for-profit entities so that AASB 15 is required to be applied by these entities for annual reporting periods beginning on or after 1 January 2019 instead of 1 January 2018. At this stage the Commission is not able to estimate the impact of AASB 15 on its financial statements. The Commission will make a more detailed assessment of the impact over the next 12 months.

- **AASB 16 Leases (application date 1 January 2019)**

AASB 16 is the new standard for leases. It introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset value is low. At this stage, the Commission is not able to estimate the impact of this new standard on its financial statements. The Commission will make a more detailed assessment of the impact over the next 12 months.

- **AASB 1058 Income of Not- for- Profit Entities (application date 1 January 2019)**

This standard clarifies and simplifies the income recognition requirements that apply to not-for-profit entities in conjunction with AASB 15 Revenue from Contracts with Customers. These standards supersede all the income recognition requirements relating to private sector not-for-profit entities, and the majority of income recognition requirements relating to public sector not-for-profit entities, previously in AASB 1004 Contributions. At this stage, the Commission is not able to estimate the impact of this new standard on its financial statements. The Commission will make a more detailed assessment of the impact over the next 12 months.

- **AASB 2014-5 Amendments to Australian Accounting Standards** arising from AASB 15 [AASB 1, 3, 4, 9 (December 2009) (December 2010), 101, 102, 112, 116, 132, 134, 134, 137, 138, 139, 140, 1023, 1038, 1039, 1049, 1053, 1056, Interpretation 12, 127, 132, 1031, 1038 & 1052] (application date 1 January 2018).

This standard makes consequential amendments to a number of standards and interpretations as a result of the issuing of AASB 15. The Commission is assessing the potential impact of AASB 15.

- **AASB 2016-3 Amendments to Australian Accounting Standards** – Clarifications to AASB 15 (application date 1 January 2018)

This standard clarifies the existing requirements of AASB 15. The Commission is not able to estimate the impact on its financial statements. The Commission will make a more detailed assessment of the impact over the next 12 months.

- **AASB 2016-8 Amendments to Australian Accounting Standards** – Australian Implementation Guidance for Not-for-Profit Entities [AASB 9 and 15] (application date 1 January 2019)

This standard inserts Australian requirements and authoritative implementation guidance for not-for-profit entities into AASB 9 and AASB 15. This guidance assists not-for-profit entities in applying those standards to particular transactions and other events. The amendments to AASB 9 address the initial measurement and recognition of non-contractual receivables arising from statutory requirements (including taxes, rates and fines). The amendments to AASB 15 address the following aspects of accounting for contracts with customers: identifying a contract with a customer; identifying performance obligations; and allocating the transaction price to performance obligations.

The Commission will assess the impact of this implementation guidance on its financial statements over the next 12 months.

It has been assessed that other new and revised accounting standards and interpretations issued by the Australian Accounting Standards Board that apply to future reporting periods will not have a material financial impact on the Commission's future financial statements.

C.3 Capital works

In 2014/2015, the Commission received capital funding of \$0.444 million over three years. This capital injection was funded to upgrade the ACT Electoral Commission's mission critical ICT business systems to ensure readiness for the 2016 ACT Legislative Assembly election. Upgrades commenced from 1 July 2014 and were completed in time to be successfully implemented for the October 2016 ACT Legislative Assembly election.

In 2015/2016, the Commission received approval to transfer funds between appropriations to cover the capital cost of refurbishing the permanent Elections ACT office accommodation. The refurbishment was completed in January 2017. The refurbishment provided for an increase in usable office space to accommodate additional staff to assist the Commissioner in non-election periods. The refurbishment also provided for the replacement of worn carpet and workstation screens as well as the repainting of the office space.

Table 34 — Capital works managed

Project	Estimated completion date	Actual completion date	Project value	Prior year expenditure	Current year expenditure	Total expenditure to date
Completed project – Ground floor North Building refurbishment – Stage 1	November 2016	January 2017	\$47,144	\$15,352	\$25,776	\$41,128
Completed project – Electoral ICT systems Upgrade for 2016 ACT Legislative Assembly election	August 2016	Physically completed August 2016 Financially completed October 2016	\$444,000	\$373,498	\$38,089	\$411,587

Table 35 — Reconciliation schedule

Reconciliation of total current year financing	Amount \$'000
Current year capital works financing	48
Add: Financing for other capital project	0
Add: Net movement-rollovers, savings and re-profiling	16
Capital injections in 2016/2017 financial statements	64
Reconciliation of total current year expenditure to capital injection	Amount \$'000
Current year capital works expenditure	38
Add: Capital injections relating to other capital project	26
Capital injections in 2016/2017 financial statements	64
Reconciliation of current year expenditure to purchase of property, plant, equipment	Amount \$'000
Current year capital works expenditure	38
Add: Expenditure relating to other capital projects	26
Less: Net accrued capital expenses	0
Cash flow from investing activities in 2016/2017 financial statements	64

C.4 Asset management

The Commission managed assets with a total value of \$0.580 million as at 30 June 2017.

Table 36 — Assets managed

Asset	Total \$'000	Appropriate measure	Total asset (in unit)
Leasehold improvement	120	Number of properties	2
Plant and equipment	10	Number of plant and equipment	2
Total Property, plant and equipment	130		
Software	450	Number of assets	10
Work in progress	0		
Total Non current assets	450		
Total assets	580		

During 2016/2017 the following assets were added to the Commission's asset register.

No	Asset class	Asset details
1	Leasehold improvement	Refurbishments to the Ground Floor North Building
2	Software	Upgrades to the Electronic Legislative Assembly Polling Place System (eLAPPS) combined as one system with Election Results Display System (ERDS) to form a single system (LAPPERDS) and upgrades and development of new functionality to the Election Management System (TIGER)

During 2016/2017 no assets were removed from the Commission's asset register.

On 30 June 2017 the Commission had no properties which were not being used by the agency or had been identified as potentially surplus.

Assets maintenance and upgrade

Asset upgrades are funded and reported through the capital works program. See **Capital works** on page 113.

For leasehold improvements, the expenditure on repairs and maintenance was \$1,139 which represented 0.31% of the asset replacement value.

The Commission did not conduct an audit of its assets in 2016/2017.

Office accommodation

The Commission employed up to 17 regular employees in 2016/2017 occupying a total of 735 m2 at the following sites:

Table 37 — Office accommodation 2016/2017

Building Name	Number of staff	Area occupied	Period occupied
Level 9, Eclipse House 197 London Circuit, Canberra City	17	575 m2	July to November 2016
Ground Floor, North Building 180 London Circuit, Civic Square	11	160 m2	December 2016 to June 2017

In preparation for the 2016 ACT Legislative Assembly election and in anticipation of the increase in staff, the Commission relocated to a larger accommodation on 26 November 2015 and retained the lease of Ground Floor, North Building and utilised the space as the election materials store. The Commission was relocated back to Ground Floor, North Building on 28 November 2016 when the conduct of the election had concluded.

The average area occupied by each employee is 22.57 m².

Aside from the regular employees, there were 768 election casuals who were located at various locations such as election headquarters, scrutiny centres and various polling places during pre-polling and election day.

C.5 Government contracting

In 2016/2017, the Commission engaged the contractors listed in Table 38 to provide services that exceeded \$25,000 over the life of the contract. The following information includes information taken from the ACT Government Contracts Register.

Table 38 — External sources of labour and services 2016/2017

Contract No.	Description of contract	Contractor	Amount	Execution date	Expiry date
EC2016/24	Purchase of election cardboard	Australian Electoral Commission	\$27,093	17/6/2016	1/9/2016
EC2017/02	Work order – Review of electronic voting	RSM Bird Cameron	\$51,700	18/5/2016	27/6/2017
CFR2013/001	Electoral disclosure audit services - variation	Callida Consulting	\$103,373	27/9/2013	30/6/2018
DS: 16/012297	Recruitment consultancy – Appointment of Chair of the ACT Electoral Commission and ACT Electoral Commissioner	Ford Kelly Executive Connection	\$29,700	22/12/2016	30/6/2017

C.6 Statement of performance

The Commission is not required to prepare an annual statement of performance under the Financial Management Act.

Discussion of the Commission's performance indicators is included in this report under **Performance indicators** on page 6 and under **Performance analysis** from pages 16 to 49.

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