



Level 9
State Administration Centre
200 Victoria Square
Adelaide SA 5000
Tel +618 8226 9640
Fax +618 8226 9688
ABN 53 327 061 410
audgensa@audit.sa.gov.au
www.audit.sa.gov.au

To the Chair, State Courts Administration Council Courts Administration Authority

Opinion

I have audited the financial report of the Courts Administration Authority for the financial year ended 30 June 2022.

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

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2022
- a Statement of Financial Position as at 30 June 2022
- a Statement of Changes in Equity for the year ended 30 June 2022
- a Statement of Cash Flows for the year ended 30 June 2022
- notes, comprising significant accounting policies and other explanatory information
- a Statement of Administered Comprehensive Income for the year ended 30 June 2022
- a Statement of Administered Financial Position as at 30 June 2022
- a Statement of Administered Cash Flows for the year ended 30 June 2022
- notes, comprising significant accounting policies and other explanatory information for administered items
- a Certificate from the Chair, State Courts Administration Council, State Courts Administrator and Executive Director Corporate Services and Chief Financial Officer.

Basis for opinion

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

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

Responsibilities of the State Courts Administrator and the State Courts Administration Council for the financial report

The State Courts Administrator is responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the State Courts Administrator is responsible for assessing the Courts Administration Authority's ability to continue as a going concern, taking into account any policy or funding decisions the government has made which affect the continued existence of the entity. The State Courts Administrator is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

The members of the State Courts Administration Council are responsible for overseeing the Courts Administration Authority's financial reporting process.

Auditor's responsibilities for the audit of the financial report

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 27 of the *Courts Administration Act 1993*, I have audited the financial report of the Courts Administration Authority for the financial year ended 30 June 2022.

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

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Courts Administration Authority's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the State Courts Administrator
- conclude on the appropriateness of the State Courts Administrator's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

I communicate with the State Courts Administrator about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



Daniel O'Donohue
Assistant Auditor-General (Financial Audit)

29 September 2022

Courts Administration Authority
Certification of the Financial Statements
For the year ended 30 June 2022

We certify that the:

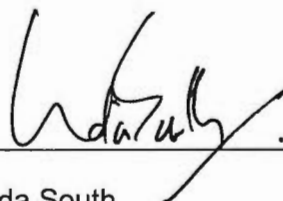
- financial statements of the Courts Administration Authority:
 - are in accordance with the accounts and records of the Authority;
 - comply with relevant Treasurer's Instructions;
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the Authority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



Penny Croser

State Courts Administrator

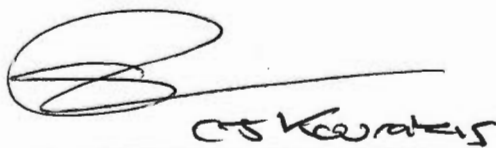
15 September 2022



Linda South

**Executive Director Corporate
Services and Chief Financial Officer**

15 September 2022



The Honourable Christopher Kourakis

**Chief Justice of South Australia
Chair State Courts Administration Council**

15 September 2022

**Courts Administration Authority
2021-22 Financial Statements**

**Courts Administration Authority
Statement of Comprehensive Income**

For the year ended 30 June 2022

	Note	2022 \$'000	2021 \$'000
Income			
Revenues from SA Government	2.1	96,632	109,193
Fees and charges	2.2	3,040	3,054
SA Government grants, subsidies and transfers	2.3	1,432	634
Sales of goods and services	2.4	303	299
Resources received free of charge	2.5	591	614
Other income	2.6	560	502
Total income		102,558	114,296
Expenses			
Employee benefits expenses	3.3	56,344	59,877
Supplies and services	4.1	27,367	30,695
Depreciation and amortisation	4.2	11,212	10,687
Borrowing costs	4.3	500	473
Net loss from disposal of property, plant and equipment	4.4	12	41
Other expenses	4.5	241	290
Total expenses		95,676	102,063
Net result and total comprehensive income		6,882	12,233

The net result and total comprehensive result are attributable to the SA Government as owner.

The accompanying notes form part of these financial statements.

**Courts Administration Authority
2021-22 Financial Statements**

**Courts Administration Authority
Statement of Financial Position**

For the year ended 30 June 2022

	Note	2022 \$'000	2021 \$'000
Current assets			
Cash and cash equivalents	6.1	52,343	44,767
Receivables	6.2	2,352	2,294
Non-current assets classified as held for sale	5.5	2,406	2,406
Total current assets		57,101	49,467
Non-current assets			
Property, plant and equipment	5.1	330,839	337,719
Intangible assets	5.4	13,503	11,222
Total non-current assets		344,342	348,941
Total assets		401,443	398,408
Current liabilities			
Payables	7.1	6,452	6,114
Employee benefits liability	3.4	4,953	6,105
Financial liabilities	7.2	1,603	1,527
Provisions	7.3	884	787
Other current liabilities	7.4	379	503
Total current liabilities		14,271	15,036
Non-current liabilities			
Payables	7.1	756	920
Employee benefits liability	3.4	7,859	9,777
Financial liabilities	7.2	21,495	22,366
Provisions	7.3	4,229	4,358
Total non-current liabilities		34,339	37,421
Total liabilities		48,610	52,457
Net assets		352,833	345,951
Equity			
Contributed capital		3,140	3,140
Retained earnings		145,637	138,755
Asset revaluation surplus	8.1	204,056	204,056
Total equity		352,833	345,951

The total equity is attributable to the SA Government as owner.

The accompanying notes form part of these financial statements.

**Courts Administration Authority
2021-22 Financial Statements**

**Courts Administration Authority
Statement of Changes in Equity**

For the year ended 30 June 2022

Note	Asset			Total Equity \$'000
	Contributed Capital \$'000	Revaluation Surplus \$'000	Retained Earnings \$'000	
	\$'000	\$'000	\$'000	
Balance at 1 July 2020	3,140	204,056	126,522	333,718
<u>Net result for 2020-21</u>	-	-	12,233	12,233
Total comprehensive result for 2020-21	-	-	12,233	12,233
Balance at 30 June 2021	3,140	204,056	138,755	345,951
<u>Net result for 2021-22</u>	-	-	6,882	6,882
Total comprehensive result for 2021-22	-	-	6,882	6,882
Balance at 30 June 2022	3,140	204,056	145,637	352,833

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

The accompanying notes form part of these financial statements.

**Courts Administration Authority
2021-22 Financial Statements**

**Courts Administration Authority
Statement of Cash Flows**

For the year ended 30 June 2022

Note	2022 \$'000	2021 \$'000
<u>Cash flows from operating activities</u>		
<u>Cash Inflows</u>		
	96,632	109,193
Appropriation received from SA Government		
	3,254	3,144
Fees and charges		
	1,492	754
SA Government grants, subsidies and transfers		
	2,940	3,348
GST recovered from the ATO		
	863	801
Other receipts		
	104	100
Receipts for paid parental leave scheme		
Cash generated from operations	105,285	117,340
<u>Cash Outflows</u>		
	(59,563)	(57,350)
Employee benefits payments		
	(31,404)	(32,564)
Payments for supplies and services		
	(500)	(473)
Borrowing costs		
	(113)	(86)
Payments for paid parental leave scheme		
	(277)	(81)
Other payments		
Cash used in operations	(91,857)	(90,554)
Net cash provided by (used in) operating activities	8.2	13,428
		26,786
<u>Cash flows from investing activities</u>		
<u>Cash Outflows</u>		
	(1,566)	(7,782)
Purchase of property, plant and equipment		
	(2,729)	(2,984)
Purchase of intangible assets		
Net cash (used in) investing activities	(4,295)	(10,766)
<u>Cash flows from financing activities</u>		
<u>Cash outflows</u>		
	(1,557)	(1,512)
Repayment of principal portion of lease liabilities		
Net cash provided by (used in) financing activities	(1,557)	(1,512)
Net increase/(decrease) in cash and cash equivalents	7,576	14,508
Cash and cash equivalents at the beginning of the period	44,767	30,259
Cash and cash equivalents at the end of the period	6.1	52,343
		44,767

The accompanying notes form part of these financial statements.

**Courts Administration Authority
2021-22 Financial Statements**

NOTES TO THE FINANCIAL STATEMENTS

1. About the Courts Administration Authority	
1.1. Basis of preparation.....	6
1.2. Objectives and programs.....	7
1.3. Impact of COVID-19 pandemic on the Authority.....	10
1.4. Budget performance.....	10
1.5. Significant transactions with government related entities.....	11
2. Income	12
2.1 Revenues from SA Government.....	12
2.2 Fees and charges.....	12
2.3 SA Government grants, subsidies and transfers.....	12
2.4 Sales of goods & services.....	12
2.5 Resources received free of charge.....	13
2.6 Other Income.....	13
3. Board, committees and employees	14
3.1. Key management personnel.....	14
3.2. Board and committee members.....	15
3.3. Employee benefits expenses.....	16
3.4. Employee benefits liability.....	18
4. Expenses	19
4.1 Supplies and services.....	19
4.2 Depreciation and amortisation.....	20
4.3 Borrowing costs.....	20
4.4 Net loss from disposal of property, plant and equipment.....	21
4.5 Other expenses.....	21
5. Non-financial assets	22
5.1 Property, plant and equipment by asset class.....	22
5.2 Property, plant and equipment owned by the Authority.....	23
5.3 Property, plant and equipment leased by the Authority.....	26
5.4 Intangible assets.....	26
5.5 Non-current assets classified as held for sale.....	27
6 Financial assets	28
6.1 Cash and cash equivalents.....	28
6.2 Receivables.....	28
7 Liabilities	30
7.1 Payables.....	30
7.2 Financial liabilities.....	31
7.3 Provisions.....	31
7.4 Other liabilities.....	32
8 Other disclosures	32
8.1 Equity.....	32
8.2 Cash flow.....	32
9 Outlook	33
9.1 Unrecognised commitments.....	33
9.2 Contingent assets and liabilities.....	34
9.3 COVID-19 pandemic outlook for the Authority.....	34
9.4 Events after the reporting period.....	34
10 Measurement and risk	34
10.1 Long service leave liability – measurement.....	34
10.2 Fair value.....	34
10.3 Financial instruments.....	38

Courts Administration Authority 2021-22 Financial Statements

1. About the Courts Administration Authority

The Courts Administration Authority (Authority) is established pursuant to the Courts Administration Act 1993 (Act). The Authority comprises the State Courts Administration Council, which is established by the Act, the State Courts Administrator and the staff of the Council. The Authority provides the administrative facilities and services required by the participating courts for the proper administration of justice.

The Authority does not control any other entities and has no interests in unconsolidated structured entities. The financial statements and accompanying notes report the financial activities controlled by the Authority.

The Authority administers certain items, including the collection of fees and the payment of judicial benefits on behalf of the State, and monies paid by parties in connection with matters that are before the Courts. These activities are reported separately in the Administered Financial Statements that commence at page 42 of this document.

1.1. Basis of preparation

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

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

For the purposes of preparing the financial statements the Authority is a not-for-profit entity. The financial statements are prepared based on a 12-month reporting period and presented in Australian currency. The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

Income, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable; and
- receivables and payables, which are stated with the amount of GST included.

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

Where asset and liability line items combine amounts expected to be realised within 12 months and more than 12 months, the Authority has separately disclosed the amounts expected to be recovered or settled after more than 12 months.

**Courts Administration Authority
2021-22 Financial Statements**

1.2. Objectives and programs

The Council is established by The Act as a statutory Authority independent of control by executive government. The Act confers on Council power to provide courts with the administrative facilities and services necessary for the proper administration of justice.

The objectives of the Authority are to:

- provide administrative support to the courts of this state;
- foster an environment in which judicial officers, staff and volunteers can contribute to improved performance of the courts system;
- co-operate with other parts of the justice system to improve access to justice and the overall performance of the justice system;
- improve court facilities;
- keep up to date with technological and other developments and apply those that are appropriate to improve the performance of the courts system; and
- increase the community's understanding of the operations of the courts and provide new avenues for community comment on the operations of the courts and their registries.

In achieving its objectives, the Authority provides a range of services classified into the following programs:

- Program 1: Court and Tribunal Case Resolution Services - It consists of the resolution of criminal, civil, appellate, coronial and probate matters in the State's courts and tribunals.
- Program 2: Alternative Dispute Resolution Services - Services for resolving disputes between citizens, and disputes between citizens and the State; as well as the education, training, information and advice processes, which aim to prevent disputes.
- General/Not attributable: Certain items of the Authority are not allocated to programs.

The tables on the following pages presents expenses, income, assets and liabilities attributable to each program.

**Courts Administration Authority
2021-22 Financial Statements**

Expenses and Income by Program

For the year ended 30 June 2022

	Program 1		Program 2		Total	
	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income						
Revenues from SA Government	93,777	105,810	2,855	3,383	96,632	109,193
Fees and charges	3,040	3,052	-	2	3,040	3,054
SA Government grants, subsidies and transfers	1,432	614	-	20	1,432	634
Sales of goods and services	303	299	-	-	303	299
Resources received free of charge	576	593	15	21	591	614
Other Income	560	501	-	1	560	502
Total Income	99,687	110,869	2,871	3,427	102,558	114,296
Expenses						
Employee benefits expenses	53,946	57,569	2,398	2,308	56,344	59,877
Supplies and services	26,922	30,002	445	693	27,367	30,695
Depreciation and amortisation	11,181	10,652	31	35	11,212	10,687
Borrowing costs	500	473	-	-	500	473
Net loss from disposal of property, plant and equipment	12	41	-	-	12	41
Other expenses	234	280	7	10	241	290
Total expenses	92,795	99,017	2,881	3,046	95,676	102,063
Net Result	6,892	11,852	(10)	381	6,882	12,233

**Courts Administration Authority
2021-22 Financial Statements**

Assets and liabilities by Program

For the year ended 30 June 2022

	Program 1		Program 2		General/not attributable		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000			\$'000	\$'000
<u>Assets</u>								
Cash and cash equivalents	-	-	-	-	52,343	44,767	52,343	44,767
Receivables	2,352	2,294	-	-	-	-	2,352	2,294
Non-current assets classified as held for sale	2,370	2,370	36	36	-	-	2,406	2,406
Property, plant and equipment	329,910	336,771	929	948	-	-	330,839	337,719
Intangible assets	13,465	11,190	38	32	-	-	13,503	11,222
Total assets	348,097	352,625	1,003	1,016	52,343	44,767	401,443	398,408
<u>Liabilities</u>								
Payables	7,069	6,875	142	159	-	-	7,211	7,034
Financial liabilities	23,098	23,893	-	-	-	-	23,098	23,893
Employee benefits liability	12,267	15,270	545	612	-	-	12,812	15,882
Provisions	4,895	4,961	218	184	-	-	5,113	5,145
Other liabilities	368	503	11	-	-	-	379	503
Total liabilities	47,697	51,502	916	955	-	-	48,613	52,457

**Courts Administration Authority
2021-22 Financial Statements**

1.3. Impact of COVID-19 pandemic on the Authority

The COVID-19 pandemic has impacted on the operations of the Authority and the impacts are included under the relevant disclosure notes. The key impacts in 2021-22 were:

- Continuation of a COVID-19 Response Team.
- Change in court practices to minimise exposure including the increased use of technology to undertake court hearings/essential meetings and changes in how court users lodge documents.
- Courts continued to operate during the pandemic within SA Health guidelines.

1.4. Budget performance

The budget performance table compares the Authority's outcomes against budget information presented to Parliament (2021-22 Budget Paper 4). Appropriation reflects appropriation issued to special deposit accounts [and deposit accounts] controlled by the Authority. The budget amounts have not been adjusted to reflect revised budgets. The budget process is not subject to audit.

Statement of Comprehensive Income

	Note	Original budget 2022 \$'000	Actual 2022 \$'000	Variance \$'000
Income				
Revenues from SA Government		96,600	96,632	32
Fees and charges		3,717	3,040	(677)
SA Government grants, subsidies and transfers		-	1,432	1,432
Sales of goods and services		784	303	(481)
Resources received free of charge		-	591	591
Other income		-	560	560
Total Income		101,101	102,558	1,457
Expenses				
Employee benefits expenses		56,143	56,344	201
Supplies and services		27,352	27,367	15
Depreciation and amortisation		11,967	11,212	(755)
Borrowing costs		521	500	(21)
Net loss from disposal of property, plant and equipment		-	12	12
Intra-government transfers		28	-	(28)
Other expenses		1,443	241	(1,202)
Total Expenses		97,454	95,676	(1,778)
Net Result		3,647	6,882	3,235

There was no variance that exceeds the greater of 10% of the original budgeted amount and 5% of original budgeted total expenses.

**Courts Administration Authority
2021-22 Financial Statements**

Investing expenditure summary

	Note	Original budget 2022 \$'000	Actual 2022 \$'000	Variance \$'000
Total existing projects	(a)	6,320	3,263	(3,057)
Total annual programs		2,323	2,591	268
Total investing expenditure		8,643	5,854	(2,789)

- (a) The variation between Actual Expenditure and Original Budget relates to timing of expenditure on existing projects, including: Electronic Court Management System, Audio visual link infrastructure upgrade, and Sir Samuel Way Façade works. The Authority will apply to the Department of Treasury to carryover unspent project funds to be used in 2022-23.

1.5. Significant transactions with government related entities

Significant transactions with the SA Government are identified throughout this financial report.

**Courts Administration Authority
2021-22 Financial Statements**

2. Income

2.1 Revenues from SA Government

	2022	2021
	\$'000	\$'000
Appropriation from Consolidated Account pursuant to the <i>Appropriation Act</i>	96,599	109,193
Appropriation from Governor's Appropriation Fund	33	-
Total Revenues from SA Government	96,632	109,193

Appropriations are recognised as income on receipt.

Appropriations pursuant to the *Appropriation Act* consists of \$88.1 million (\$90.4 million) for operational funding and \$8.5 million (\$18.7 million) for capital projects.

2.2 Fees and charges

	2022	2021
	\$'000	\$'000
Sheriff's officer fees	1,605	1,801
Library levy	910	799
Other regulatory fees	525	454
Total fees and charges	3,040	3,054

The Authority charges regulatory fees pursuant to the *Sheriff's Regulations 2005* under the *Sheriff's Act 1978*.

2.3 SA Government grants, subsidies and transfers

	2022	2021
	\$'000	\$'000
Recovery from the Department of Treasury and Finance for TVSPs	432	414
Other SA Government grants, subsidies and transfers	1,000	220
Total SA Government grants, subsidies and transfers	1,432	634

SA Government grants, subsidies and transfers are recognised as income on receipt.

2.4 Sales of goods & services

	2022	2021
	\$'000	\$'000
Sale of electronic information	303	299
Total sales of goods and services	303	299

All revenue from the sales of goods and services is from contracts with customers.

**Courts Administration Authority
2021-22 Financial Statements**

2.5 Resources received free of charge

	2022	2021
	\$'000	\$'000
Assets Transfer	-	37
Resources received free of charge	591	577
Total other resources received free of charge	591	614

The Authority has received computing and communication services from ICT and the Digital Government Division of Department of Premier and Cabinet. These services are offset by a corresponding expense.

2.6 Other income

	2022	2021
	\$'000	\$'000
Rent recoveries	324	405
Recoup of services	95	97
Unrealised exchange gain from foreign currency deposit	141	-
Total other income	560	502

**Courts Administration Authority
2021-22 Financial Statements**

3. Board, committees and employees

3.1. Key management personnel

Key management personnel of the Authority include the Attorney-General, members of the State Courts Administration Council and the associate members of Council (identified at note 3.2 below), the State Courts Administrator and employees of the Authority that are members of the Executive Leadership Team.

The Attorney-General is included in key management personnel as Section 25 of the Act provides that the Authority prepare and submit annual budgets to the Attorney-General, who may approve a budget with or without modification and the Authority may only expend money provided for in a budget approved by the Attorney-General.

The compensation disclosed in this note excludes salaries and other benefits the Attorney-General receives. The Attorney-General's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account (via the Department of Treasury and Finance) under section 6 the *Parliamentary Remuneration Act 1990*.

Total compensation comprises \$1.6 million (\$1.6 million) in respect of employees of the Authority, which is recognised in the Authority's Statement of Comprehensive Income, and \$3.9 million (\$3.8 million) in respect of judicial officers, which is recognised in the Statement of Administered Comprehensive Income.

	2022	2021
	\$'000	\$'000
<hr/>		
<u>Compensation</u>		
Salaries and other short term employee benefits	4,344	3,973
Post-employment benefits	950	1,058
Other long-term employment benefits	207	335
Total compensation	5,501	5,366

Transactions with key management personnel and other related parties

There were no transactions with key management personnel or other related parties.

All transactions with government related entities during 2021-22 were minor commercial or ordinary intra-governmental operational transactions.

**Courts Administration Authority
2021-22 Financial Statements**

3.2. Board and committee members

Members during the 2022 financial year were:

State Courts Administration Council

Chief Justice Christopher Kourakis*
Chief Judge Michael Evans*
Chief Magistrate Mary-Louise Hribal*
Justice Timothy Stanley*
Judge Michael Boylan* (retired 19/09/2021)
Judge Rauf Soulio* (commenced 01/10/2021)
Magistrate Brett Dixon*

Administrative and Disciplinary Division of the District Court

Andrew Hill	Kerry Read
Bruce Parker	Manuel Pipinias
Christopher Short	Mark Woods
Clive Smith	Michael Bonaccorso
Garry Minuzzo	Michael Standish
George Kamencak	Neil McLean
Harald Klavins	Peter Panagaris
Jean Hutchinson	Peter Rea
Joseph Bagnara	Richard Hoffman

Training Centre Review Board

Judge – Penny Eldridge*	Fiona Curnow * (resigned 30/11/2021)
Barry Jennings * (reappointed 03/09/2021)	Jasmin Tonkin
Branka King	Katrina Dee * (resigned 07/10/2021)
Christopher Boltje	Nikki Kelly (formerly Lamshed)
Craig Wolfe *	Sarah Macdonald * (reappointed 06/12/21)
Dale Agius *	Sharon McKell *
Darryn Keneally (reappointed 03/09/2021)	Suraya Naidoo * (reappointed 06/12/2021)
David Kyriacou*	Tamara Brooks *
Ester Huxtable	Tiffany Downing
Eugene Warrior	Timothy Curtis *

*In accordance with the Premier and Cabinet Circular No. 016, judicial officers and government employees did not receive any remuneration for board/committee duties during the financial year.

The District Court and Youth Court judges are presiding officers of the boards. Various Acts confer a jurisdiction upon the District Court in its Administrative and Disciplinary Division and the Youth Court in the Training Centre Review Board. The *District Court Act 1991* and *Young Offenders Act 1993* specify the proceedings process when the matters are referred to the boards for hearing. The Police Disciplinary Tribunal and the Protective Security Officers Disciplinary Tribunal are constituted of a magistrate under the *Police Complaints and Discipline Act 2016* and do not have any other members.

**Courts Administration Authority
2021-22 Financial Statements**

Board and committee remuneration

	2022	2021
<hr/>		
The number of members whose remuneration received or receivable falls within the following bands		
\$0 - \$19,999	5	5
Total number of members	5	5

The total remuneration received or receivable by members was \$21,000 (\$21,000). Remuneration of members includes sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and related fringe benefits tax.

3.3. Employee benefits expenses

	2022	2021
	\$'000	\$'000
<hr/>		
Salaries and wages	43,292	42,896
Targeted voluntary separation packages	661	416
Long service leave	(683)	148
Annual leave	4,127	4,151
Skill and experience retention leave	300	305
Employment on-costs - superannuation*	4,894	4,776
Employment on-costs - payroll tax	2,615	2,585
Board and committee expenses	21	21
Workers compensation	1,015	4,503
Other employee related expenses	102	76
Total employee benefits expenses	56,344	59,877

Members of the Judiciary are not employees of the Authority. Remuneration and other expenditure in relation to the Judiciary are reported in the Administered Financial Statements.

Long service leave expenses include a negative revaluation of \$1.8 million as a result of an increase in the discount rate to 3.5% in 2022 from 1.25% in 2021.

****Employment on-costs - superannuation***

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

**Courts Administration Authority
2021-22 Financial Statements**

Employee remuneration

	2022	2021
	No	No
The number of employees whose remuneration received or receivable falls within the following bands:		
\$157,001 to \$177,000	4	7
\$177,001 to \$197,000	3	1
\$197,001 to \$217,000	1	1
\$217,001 to \$237,000	3	2
\$237,001 to \$257,000	-	1
\$277,001 to \$297,000	1	-
\$337,001 to \$357,000	1	-
Total	13	12

The total remuneration received by these employees for the year was \$2.8 million (\$2.2 million).

The table includes all employees who received remuneration equal to or greater than the base executive remuneration level during the year. Remuneration of employees reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, salary sacrifice benefits and fringe benefits and any fringe benefits tax paid or payable in respect of those benefits.

Targeted voluntary separation packages (TVSPs)

The number of employees who received a TVSP during the reporting period was 6 (6).

	2022	2021
	\$'000	\$'000
Amount paid to separated employees:		
Targeted voluntary separation packages	432	416
Rejuvenation scheme payments	229	-
Leave paid to those employees	415	212
Recovery from the Department of Treasury and Finance	(432)	(414)
Net cost to the Authority	644	214

Recovery from the Department of Treasury and Finance includes payroll tax on the TVSP.

TVSPs include payments made under the Public Sector Workforce Rejuvenation Scheme.

**Courts Administration Authority
2021-22 Financial Statements**

3.4. Employee benefits liability

	2022	2021
	\$'000	\$'000
<u>Current</u>		
Accrued salaries and wages	-	1,196
Annual leave	3,710	3,635
Long service leave	876	920
Skills and experience retention leave	367	354
Total current employee benefits	4,953	6,105
<u>Non-Current</u>		
Long service leave	7,859	9,777
Total non-current employee benefits	7,859	9,777
Total employee benefits	12,812	15,882

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

Salaries and wages, annual leave, skills and experience retention leave (SERL) and sick leave

The liability for salary and wages is measured as the amount unpaid at the reporting date at remuneration rates current at the reporting date.

The annual leave liability and the SERL liability are expected to be payable within 12 months and are measured at the undiscounted amounts that are expected to be paid.

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

Long service leave

The liability for long service leave is measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Details about the measurement of long service leave liability is provided as note 10.1.

**Courts Administration Authority
2021-22 Financial Statements**

4. Expenses

Employee benefits expenses are disclosed in note 3.3.

4.1 Supplies and services

	2022 \$'000	2021 \$'000
Accommodation and services	4,600	4,779
Circuit and travel expenses	1,028	1,116
Computing and communications	5,706	8,727
Consultancy, contractors and temp staff	1,749	1,820
Legal cost	111	73
Court expenses	1,885	2,162
Short term leases	86	64
Staff development and training	374	397
Minor works, maintenance and equipment	4,570	4,471
Coronial charges	536	629
Jurors' expenses	1,546	1,639
Sheriff's Officer payments	999	1,006
Library expenses	1,461	1,421
Office expenses	623	593
Other administration expenses	2,093	1,798
Total supplies and services	27,367	30,695

Accommodation and services

Part of the Authority's accommodation is provided by the Department for Infrastructure and Transport under Memoranda of Administrative Arrangement (MoAA) issued in accordance with Government-wide accommodation policies. A MoAA does not meet the definition of a lease as set out in AASB 16.

Consultants

The number of consultancies and the dollar amount paid/payable (included in supplies and services expense) to consultants that fell within the following bands:

	2022		2021	
	No	\$'000	No	\$'000
Below \$10,000	1	3	-	-
\$10,000 or above	4	550	5	348
Total	5	553	5	348

**Courts Administration Authority
2021-22 Financial Statements**

4.2 Depreciation and amortisation

	2022	2021
	\$'000	\$'000
Buildings and improvements	7,443	7,410
Right-of-use buildings	1,693	1,671
Computing, plant and equipment	1,346	869
Library collection	212	206
Intangible assets	448	448
Right-of-use vehicles	70	83
Total depreciation and amortisation	11,212	10,687

All non-current assets not held for sale, with a limited useful life, are systematically depreciated and/or amortised over their useful lives in a manner that reflects the consumption of their service potential.

Useful Life

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

Class of asset	Useful life (years)
Buildings and improvements	6-59
Computing, plant and equipment	3-25
Library collection	25
Intangibles	4-20
Right of use buildings	25
Right of use vehicles	3

Review of accounting estimates

Assets' residual values, useful lives and amortisation methods are reviewed and adjusted, if appropriate, on an annual basis. Changes in the expected life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the time period or method, as appropriate.

4.3 Borrowing costs

	2022	2021
	\$'000	\$'000
Interest expense on lease liabilities	500	473
Total borrowing costs	500	473

The Authority does not capitalise borrowing costs.

**Courts Administration Authority
2021-22 Financial Statements**

4.4 Net loss from disposal of property, plant and equipment

	2022	2021
	\$'000	\$'000
<hr/>		
Plant and Equipment		
Carrying amount of assets disposed	12	41
Total net loss from disposal of property, plant and equipment	12	41

4.5 Other expenses

	2022	2021
	\$'000	\$'000
<hr/>		
Audit fees	240	198
Late payment interest	1	3
Bad/Doubtful debts	-	4
Unrealised exchange loss from foreign currency deposit	-	85
Total other expenses	241	290

Audit fees

Audit fees paid / payable to the Auditor-General's Department relating to work performed under the *Public Finance and Audit Act 1987* were \$131,400 (\$166,900). No other services were provided by the Auditor-General's Department. The audit fees of \$240,000 includes other audit fees paid for internal audit.

**Courts Administration Authority
2021-22 Financial Statements**

5. Non-financial assets

5.1 Property, plant and equipment by asset class

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

	2022 \$'000	2021 \$'000
<u>Land and buildings</u>		
Land at fair value	96,998	96,998
Buildings at fair value	212,210	211,994
Accumulated depreciation at the end of the period	(14,853)	(7,410)
Total land and buildings	294,355	301,582
<u>Capital work in progress</u>		
Building capital work in progress	1,104	-
Total capital work in progress	1,104	-
<u>Leasehold improvements</u>		
Leasehold improvements at cost (deemed fair value)	1,646	1,646
Accumulated depreciation at the end of the period	(1,646)	(1,646)
Total leasehold improvements	-	-
<u>Right-of-use buildings</u>		
Right-of-use buildings at cost	27,140	26,478
Accumulated depreciation at the end of the period - ROU buildings	(4,974)	(3,281)
Total right-of-use buildings	22,166	23,197
<u>Right-of-use vehicles</u>		
Right-of-use vehicles at cost	198	190
Accumulated depreciation at the end of the period - ROU vehicles	(90)	(122)
Total right-of-use vehicles	108	68
<u>Computing, plant and equipment</u>		
Computing, plant and equipment (deemed fair value)	13,462	12,660
Accumulated depreciation at the end of the period	(5,008)	(4,466)
Total computing, plant and equipment	8,454	8,194
<u>Library collection</u>		
Library collection at cost	5,307	5,144
Accumulated depreciation at the end of the period	(802)	(591)
Total library collection	4,505	4,553
<u>Works of art and collections</u>		
Works of art and collections at fair value	147	125
Total works of art and collections	147	125
Total property, plant and equipment	330,839	337,719

**Courts Administration Authority
2021-22 Financial Statements**

5.2 Property, plant and equipment owned by the Authority

Property, plant and equipment owned by the Authority with a value equal to or in excess of \$5,000 is capitalised, otherwise it is expensed. Property, plant and equipment owned by the Authority is recorded at fair value. Detail about the Authority's approach to fair value is set out in note 10.2.

Bound volumes individually with a value less than \$5,000 are grouped and capitalised as library collection.

Impairment

Property, plant and equipment owned by the Authority have not been assessed for impairment as it is non-cash generating assets, that are specialised in nature and held for continual use of their service capacity.

Revaluation of property, plant and equipment is undertaken on a regular cycle as detailed in note 10.2. If at any time management considers that the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place.

**Courts Administration Authority
2021-22 Financial Statements**

Reconciliation 2021-22

	<i>Land</i>	<i>Buildings & improvements</i>	<i>Computing, plant & equipment</i>	<i>Library collections</i>	<i>Works of art & collections</i>	<i>Capital work in progress</i>	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	96,998	204,584	8,194	4,553	125	-	314,454
Acquisitions	-	261	1,573	164	22	1,104	3,124
Disposals	-	-	(12)	-	-	-	(12)
Transfers between asset classes	-	(45)	45	-	-	-	-
Depreciation & amortisation	-	(7,443)	(1,346)	(212)	-	-	(9,001)
Carrying amount at the end of the period	96,998	197,357	8,454	4,505	147	1,104	308,565

**Courts Administration Authority
2021-22 Financial Statements**

Reconciliation 2020-21

	<i>Land</i> \$'000	<i>Buildings & improvements</i> \$'000	<i>Computing, plant & equipment</i> \$'000	<i>Library collections</i> \$'000	<i>Works of art & collections</i> \$'000	<i>Capital work in progress</i> \$'000	Total \$'000
Carrying amount at the beginning of the period	96,998	209,385	4,625	4,548	108	526	316,190
Acquisitions	-	1,815	4,442	211	17	268	6,753
Disposals	-	-	(41)	-	-	-	(41)
Revaluation increment	-	-	-	-	-	-	-
Transfers between asset classes	-	794	-	-	-	(794)	-
Depreciation & amortisation	-	(7,410)	(869)	(206)	-	-	(8,485)
Donated assets	-	-	37	-	-	-	37
Carrying amount at the end of the period	96,998	204,584	8,194	4,553	125	-	314,454

**Courts Administration Authority
2021-22 Financial Statements**

5.3 Property, plant and equipment leased by the Authority

Right-of-use assets for property, plant and equipment leased by the Authority as lessee are measured at cost. Acquisitions to leased property, plant and equipment during 2021-22 were \$97,000.

Short-term leases of 12 months or less and low value leases, where the underlying asset value is less than \$15,000, are not recognised as right-of-use assets.

The Authority has a limited number of leases:

- A Public Private Partnership arrangement with Plenary Justice Pty Ltd to provide infrastructure facilities, accommodation and services for four regional court premises. The lease term is for 25 years with a five year option to extend the lease.
- 15 motor vehicle leases with the South Australian Government Financing Authority (SAFA). Motor vehicle leases are non-cancellable, with rental payments monthly in arrears. Motor vehicle lease terms can range up to 3 years (60,000km). No variable lease payments are provided for in the lease agreements and no options exist to renew the leases at the end of their term.

The lease liabilities related to the right-of-use assets are disclosed in note 7.2. The Authority's maturity analysis of its lease liabilities is disclosed in note 10.3. Expenses related to leases, including depreciation and interest expenses, are disclosed in note 4. Cash outflows related to leases are disclosed in note 8.2.

Impairment

Property, plant and equipment leased by the Authority has been assessed for impairment. There was no indication of impairment. No impairment loss or reversal of impairment loss was recognised.

5.4 Intangible assets

	2022 \$'000	2021 \$'000
Other computer software and licences	9,254	9,254
Accumulated amortisation	(1,464)	(1,016)
Total other computer software and licences	7,790	8,238
Intangible work in progress	5,713	2,984
Total intangible work in progress	5,713	2,984
Total intangible assets	13,503	11,222

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

The acquisition of computer software and licences is capitalised only when the expenditure meets the definition and recognition criteria of development costs contained in AASB 138 *Intangible assets* and when the amount of expenditure is greater than or equal to \$5,000.

The computer software related to the Electronic Court Management System which has a remaining useful life of 19 years.

The intangible work in progress is related to the criminal module in the Electronic Court Management System.

**Courts Administration Authority
2021-22 Financial Statements**

Reconciliation 2021-22

	<i>Other computer software & licence \$'000</i>	<i>Intangible capital work in progress \$'000</i>	Total Intangible Assets \$'000
Carrying amount at the beginning of the period	8,238	2,984	11,222
Acquisitions	-	2,729	2,729
Depreciation & amortisation	(448)	-	(448)
Carrying amount at the end of the period	7,790	5,713	13,503

Reconciliation 2020-21

	<i>Other computer software & licence \$'000</i>	<i>Intangible capital work in progress \$'000</i>	Total Intangible Assets \$'000
Carrying amount at the beginning of the period	8,686	-	8,686
Acquisitions	-	2,984	2,984
Depreciation & amortisation	(448)	-	(448)
Carrying amount at the end of the period	8,238	2,984	11,222

5.5 Non-current assets classified as held for sale

	2022 \$'000	2021 \$'000
Land	796	796
Building and improvement	1,610	1,610
Total non-current assets classified as held for sale	2,406	2,406

As a result of the continuing measures within the Authority to reduce locations in response to changing environments and pressures, the Holden Hill courthouse and land was declared surplus during 2019. It is anticipated that the land and building will be sold in the next financial year.

This land and building are being disposed under the requirements of Premier and Cabinet Circular PC114 Government Real Property Management. The Authority has measured the land and building held for sale at carrying value because the assets' carrying value are less than the fair value less costs to sell.

**Courts Administration Authority
2021-22 Financial Statements**

6 Financial assets

6.1 Cash and cash equivalents

	2022	2021
	\$'000	\$'000
<u>Deposits with the Treasurer (Special deposit accounts)</u>		
Deposits with the Treasurer	35,081	34,376
Accrual Appropriation Excess Funds	16,268	9,477
Total deposits with the Treasurer (Special deposits accounts)	51,349	43,853
Foreign currency deposit account held at SAFA	991	906
Cash on hand	3	8
Total cash and cash equivalents	52,343	44,767

Deposits with the Treasurer

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

Although the Authority controls the money reported above in the Accrual Appropriation Excess Funds account, its use must be approved by the Treasurer. The Authority does not earn interest on its deposits with the Treasurer.

The foreign currency deposit account with SAFA is established to meet the milestone payment for the Electronic Court Management System.

6.2 Receivables

	2022	2021
	\$'000	\$'000
<u>Current</u>		
Trade receivables		
From government entities	-	62
From non-government entities	58	66
Allowance for impairment loss	(2)	(2)
Total trade receivables	56	126
Statutory receivables		
Prepaid employee on-costs	31	83
GST input tax recoverable	697	777
Total statutory receivables	728	860
Prepayments	1,568	1,082
Accrued revenue	-	226
Total current receivables	2,352	2,294

Trade receivables arise in the normal course of selling goods and services to other government agencies and to the public. Trade receivables are normally settled within 30 days after the issue of an invoice or the goods/services have been provided under a contractual arrangement.

Prepayments include prepaid salaries of \$216,000.

**Courts Administration Authority
2021-22 Financial Statements**

Statutory receivables do not arise from contracts with customers. They are recognised and measured similarly to contractual receivables (except impairment) but are not classified as financial instruments for disclosure purposes.

The net amount of GST recoverable from the Australian Tax Office is included as part of receivables.

Receivables, prepayments and accrued revenues are non-interest bearing. Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

Allowance for impairment loss on receivables

	2022	2021
	\$'000	\$'000
Carrying amount at the beginning of the period	2	1
Amounts written off	-	(1)
Increase in allowance recognised in profit and loss	-	2
Carrying amount at the end of the period	2	2

Collectability of receivables is reviewed on an ongoing basis. An allowance for impairment is raised when there is objective evidence that the Authority will not be able to collect the debt. Other than as recognised in the allowance for impairment loss, it is not anticipated that counterparties will fail to discharge their obligations. The carrying amount of receivables approximates the net fair value due to being receivables on demand. There is no concentration of credit risk.

Refer to note 10.3 for further information on risk management.

**Courts Administration Authority
2021-22 Financial Statements**

7 Liabilities

Employee benefits liabilities are disclosed in note 3.4.

7.1 Payables

	2022	2021
	\$'000	\$'000
Current:		
Trade payables		
Creditors	-	1
Accrued expenses	2,852	4,418
Accrued capital expenditure	2,049	307
Total Trade payables	4,901	4,726
Statutory payables		
FBT payable	22	14
PAYG payable	1	1
Employee on-costs	1,378	1,175
Paid Parental Leave Scheme payable	5	14
Audit fee	145	184
Total statutory payables	1,551	1,388
Total current payables	6,452	6,114
Non-Current:		
Statutory payables		
Employment on-costs	756	920
Total non-current payables	756	920
Total Payables	7,208	7,034

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

Statutory payables do not arise from contracts.

Employment on-costs

Employment on-costs include payroll tax, ReturnToWorkSA levies and superannuation contributions and are settled when the respective employee benefits that they relate to are discharged.

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

As a result of an actuarial assessment performed by the Department of Treasury and Finance, the proportion of long service leave taken as leave has remained at the same rate of 42% and the average factor for the calculation of employer superannuation on-costs increased from 10.1% in 2021 to 10.6% in 2022. These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year is an increase in the employment on-cost of \$18,344.

**Courts Administration Authority
2021-22 Financial Statements**

7.2 Financial liabilities

	Note	2022 \$'000	2021 \$'000
<u>Current</u>			
Leases liabilities	5.3	1,603	1,527
Total current financial liabilities		1,603	1,527
<u>Non-current</u>			
Lease liabilities	5.3	21,495	22,366
Total non-current financial liabilities		21,495	22,366
Total financial liabilities		23,098	23,893

The Authority measures financial liabilities at amortised cost.

7.3 Provisions

	2022 \$'000	2021 \$'000
<u>Current</u>		
Provision workers compensation	884	787
Total current provisions	884	787
<u>Non-current</u>		
Provision workers compensation	4,229	4,358
Total non-current provisions	4,229	4,358
Total provisions	5,113	5,145

Movement in provisions

	2022 \$'000
<u>Carrying amount at the beginning of the period</u>	5,145
Additional provisions recognised	971
Reductions arising from payments/other sacrifice of future economic benefits	(1,064)
Increase resulting from re-measurement or settlement without cost	61
<u>Carrying amount at the end of the period</u>	5,113

A provision has been reported to reflect unsettled workers compensation and additional compensation for certain work related injuries or illnesses claims. The compensation provisions are based on an actuarial assessment of the outstanding liability as at 30 June 2022 provided by a consulting actuary engaged through the Office of the Commissioner for Public Sector Employment. The provision is for the estimated cost of ongoing payments to employees as required under current legislation.

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

7.4 Other Liabilities

	2022 \$'000	2021 \$'000
<u>Current</u>		
Unearned revenue	263	390
Unclaimed money	116	113
Total other liabilities	379	503

**Courts Administration Authority
2021-22 Financial Statements**

8 Other disclosures

8.1 Equity

The asset revaluation surplus is used to record increments and decrements in the fair value of property and plant and equipment to the extent that they offset one another. Relevant amounts are transferred to retained earnings when an asset is derecognised.

8.2 Cash flow

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the Australian Tax Office is classified as part of operating cash flows.

Total cash outflows for leases was \$2.62 million (\$1.13 million).

Reconciliation of net result to cash flows from operating activities

	2022 \$'000	2021 \$'000
Reconciliation of Cash and cash equivalents at the end of the reporting period:		
Cash and cash equivalents disclosed in the Statement of Financial Position	52,343	44,767
Balance as per the Statement of Cash Flows	52,343	44,767
<u>Reconciliation of net cash provided by operating activities to net cost of providing services:</u>		
Net cash provided by/(used in) operating activities	13,428	26,786
<u>Add/less non-cash items</u>		
Depreciation and amortisation expense of non-current assets	(11,212)	(10,687)
Net loss from disposal of property, plant and equipment	(12)	(41)
Assets transfer	-	37
<u>Movements in assets and liabilities</u>		
(Decrease)increase in receivables	(116)	508
Decrease/(increase) in payables	1,568	(1,571)
Decrease in employee benefits liability	3,070	1,218
Decrease/(increase) in provisions	32	(3,788)
Decrease (increase) in other liabilities	124	(229)
Net result	6,882	12,233

**Courts Administration Authority
2021-22 Financial Statements**

9 Outlook

9.1 Unrecognised commitments

Commitments include operating, capital and outsourcing arrangements arising from contractual sources and are disclosed at their nominal value.

Capital commitments

	2022	2021
	\$'000	\$'000
Within one year	956	1,618
Total capital commitments	956	1,618

The Authority's capital commitment relates to a milestone payment for the Electronic Court Management System.

Expenditure commitments

	2022	2021
	\$'000	\$'000
Within one year	2,077	2,530
Later than one year but not longer than five years	2,923	1,718
Later than five years	265	-
Total expenditure commitments	5,265	4,248

The Authority's expenditure commitments are for:

- Intervention programs with not-for-profit organisations
- Mainframe services agreement with DXC Technologies
- Cleaning, hygiene and linen services contract with Southern Cross Cleaning
- Residential leases that are not captured by AASB 16.
- Provision of waste management services with Remondis Australia

Operating lease commitments as lessor

	2022	2021
	\$'000	\$'000
Commitments in relation to accommodation operating leases contracted for at the reporting date but not recognised as receivable in the financial report, are receivable as follows:		
Within one year	250	235
Later than one year but not longer than five years	-	116
Total operating lease commitments as lessor	250	351

**Courts Administration Authority
2021-22 Financial Statements**

9.2 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value.

The Authority is not aware of any contingent assets/liabilities.

9.3 COVID-19 pandemic outlook for the Authority

The COVID-19 pandemic will have minimal impact on the operations of the Authority in 2022-23. Further outbreaks and subsequent restrictions may lead to impacts as listed in note 1.3.

9.4 Events after the reporting period

There were no events occurring after the balance date.

10 Measurement and risk

10.1 Long service leave liability – measurement

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

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

AASB 119 *Employee Benefits* requires the use of the yield on long-term Commonwealth Government bonds as the discount rate in the measurement of the long service leave liability. The yield on long-term Commonwealth Government bonds has increased in 2022 (3.5%) from 2021 (1.25%).

This increase in the bond yield, which is used as the rate to discount future long service leave cash flows, results in a decrease in the reported long service leave liability.

The actuarial assessment performed by the Department of Treasury and Finance has no movement in the salary inflation rate at 2.5% for long service leave liability.

The net financial effect of the changes to actuarial assumptions in the current financial year is a decrease in the long service leave liability and expense of \$1.46 million. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of demographical and financial assumptions – including the long-term discount rate.

The Authority has used the average leave pattern history of previous years to allocate the current and non-current liability.

10.2 Fair value

AASB 13 *Fair Value Measurement* defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, at the measurement date.

Courts Administration Authority 2021-22 Financial Statements

Initial recognition

Non-current tangible assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental cost involved with the acquisition.

Where assets are acquired at no value, or minimal value, they are recorded at fair value in the Statement of Financial Position. However, if the assets are acquired at no or nominal value as part of a restructure of administrative arrangements, then the assets are recognised at book value (i.e., the amount recorded by the transferor public Authority immediately prior to the restructure).

Revaluation

Property, plant and equipment are subsequently measured at fair value after allowing for accumulated depreciation. Refer to commentary under land and buildings for details of the revaluation.

Non-current tangible assets are valued at fair value and revaluation of non-current assets or a group of assets is only performed when the fair value at the time of acquisition is greater than \$1.5 million or the estimated useful life is greater than three years.

Revaluation of land and buildings is undertaken on a regular cycle every 6 years. If at any time management considers that the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amounts of the assets and the net amounts are restated to the revalued amounts of the asset.

Fair value hierarchy

The Authority classifies fair value measurement using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements, based on the data and assumptions used in the most recent revaluation:

- Level 1 – traded in active markets and is based on unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at measurement date.
- Level 2 – not traded in an active market and are derived from inputs (inputs other than quoted prices included within level 1) that are observable for the asset, either directly or indirectly.
- Level 3 – not traded in an active market and are derived from unobservable inputs.

The Authority's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

During 2022 and 2021, the Authority had no valuations categorised into level 1; there were no transfers of assets between level 1 and 2 fair value hierarchy levels and there were no changes in valuation technique.

**Courts Administration Authority
2021-22 Financial Statements**

Fair value classification – non-financial assets at 30 June 2022

	Note	Level 2 \$'000	Level 3 \$'000	Total \$'000
Recurring fair value measurements				
Land	5.1	96,998	-	96,998
Buildings	5.1	891	196,466	197,357
Computing and plant & equipment	5.1	-	8,454	8,454
Library collections	5.1	-	4,505	4,505
Works of art and collections	5.1	-	147	147
Total recurring fair value measurements		97,889	209,572	307,461
Non-recurring fair value measurements				
Land held for sale	5.5	1,610	-	1,610
Building held for sale	5.5	-	796	796
Total non-recurring fair value measurements		1,610	796	2,406
Total		99,499	210,368	309,867

Fair value classification – non-financial assets at 30 June 2021

	Note	Level 2 \$'000	Level 3 \$'000	Total \$'000
Recurring fair value measurements				
Land	5.1	96,998	-	96,998
Buildings	5.1	991	203,593	204,584
Computing/Plant & equipment	5.1	-	8,194	8,194
Library Collections	5.1	-	4,553	4,553
Works of art and collections	5.1	-	125	125
Total recurring fair value measurements		97,989	216,465	314,454
Non-recurring fair value measurements				
Land held for sale	5.5	1,610	-	1,610
Building held for sale	5.5	-	796	796
Total non-recurring fair value measurements		1,610	796	2,406
Total		99,599	217,261	316,860

Land and buildings

Fair value of land has been determined using the market approach. A valuation was undertaken in June 2020 which was based on recent market transactions for similar land in the area and includes adjustment for factors specific to the land such as size and location. For land classified as restricted in the valuation, fair value was determined by applying an adjustment to reflect the restriction i.e., heritage.

The fair value of buildings was determined using current replacement cost because Authority buildings were either unique in nature as not represented in the marketplace, or limited evidence in markets existed to establish a market value. The current replacement cost considered the need for ongoing provision of government services, specialised nature and restricted use of the assets, their size, condition and location.

**Courts Administration Authority
2021-22 Financial Statements**

The valuation used estimates about construction materials that would be required to replace the buildings. The information about current construction costs were derived from subscriber databases, published industry materials and the estimated useful life due to age and condition of the building.

An independent valuation of land and buildings owned by the Authority was performed in June 2020 by a Certified Practising Valuer from Liquid Pacific Pty Ltd.

Computing and plant and equipment

All items of computer and plant and equipment owned by the Authority that had a fair value at the time of acquisition less than \$1.5 million or had an estimated useful life that less than three years have not been revalued. The carrying value of these items is deemed to approximate fair value.

Library collection

Bound volumes were internally revalued at 30 June 2019 to fair value based upon the written down cost. The Authority has determined that subsequent acquisitions are measured at historical cost which approximates fair value.

Reconciliation of level 3 recurring fair value measurements as at 30 June 2022

The following table is a reconciliation of fair value measurements using significant unobservable inputs (level 3).

	Buildings \$'000	Computing plant & equipment \$'000	Library Collections \$'000	Works of art and collections \$'000	Total \$'000
Opening balance at the beginning of the period	204,389	8,194	4,553	125	217,261
Acquisitions	261	1,573	164	22	2,020
Transfer between classes	(45)	45	-	-	-
Disposal	-	(12)	-	-	(12)
Depreciation	(7,343)	(1,346)	(212)	-	(8,901)
Carrying amount at the end of the period	197,262	8,454	4,505	147	210,368

**Courts Administration Authority
2021-22 Financial Statements**

Reconciliation of level 3 recurring fair value measurements as at 30 June 2021

The following table is a reconciliation of fair value measurements using significant unobservable inputs (level 3).

	Buildings \$'000	Computing plant & equipment \$'000	Library Collections \$'000	Works of art and collections \$'000	Total \$'000
Opening balance at the beginning of the period	209,090	4,625	4,548	108	218,371
Acquisitions	1,815	4,442	211	17	6,485
Capitalised subsequent expenditure	794		-	-	794
Disposal	-	(41)	-	-	(41)
Donated assets	-	37	-	-	37
Depreciation	(7,310)	(869)	(206)	-	(8,385)
Carrying amount at the end of the period	204,389	8,194	4,553	125	217,261

10.3 Financial Instruments

Financial risk management

Risk management is managed by the Authority's corporate services division. The Authority's risk management policies are in accordance with the *SA Government Risk Management Guide* and the principles established in the Australian Standard *Risk Management Principles and Guidelines*.

The Authority's exposure to financial risk (liquidity risk, credit risk and market risk) is low due to the nature of the financial instruments held.

Liquidity risk

The Authority is funded principally by appropriations from the SA Government. The Authority works with the Department of Treasury and Finance to determine the cash flows associated with its Government approved program of work and to ensure funding is provided through SA Government budgetary processes to meet the expected cash flows.

Refer to notes 7.1 and 7.2 for further information.

Credit risk

No collateral is held as security and no credit enhancements relate to financial assets held by the Authority.

Impairment of financial assets

Loss allowances for receivables are measured at an amount equal to lifetime expected credit loss (ECL) using the simplified approach in AASB 9. The Authority uses an allowance matrix for receivables aged 60 days and under to measure the expected credit loss of receivables from non-government debtors which comprise a large number of small balances. For receivables aged over 60 days, the expected credit loss is measured on a case-by-case basis.

**Courts Administration Authority
2021-22 Financial Statements**

To measure the expected credit losses, receivables are grouped based on the days past due. When estimating expected credit loss, the Authority considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Authority's historical experience and informed credit assessment, including forward-looking information.

The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Authority is exposed to credit risk.

The expected credit loss of government debtors is considered to be nil based on the external credit ratings and nature of the counterparties.

Loss rates are calculated based on the probability of a receivable progressing through stages to write off.

The exposure to credit risk and expected credit loss for non-government debtors in the operating financial statements is immaterial.

The following table provides information about the exposure to credit risk and expected credit loss for non-government debtors in the administered financial statements.

	Debtor gross carrying amount \$'000	Loss %	Lifetime expected losses \$'000
Current (not past due)	215	2.2	4
1 – 30 days past due	54	4.1	2
31 – 60 days past due	40	5.6	2
61 – 90 days past due	2	N/A	0
More than 90 days past due	101	N/A	94
Loss allowance	412		102

Loss rates are based on actual history of credit loss.

Impairment losses are presented as net impairment losses within net result, subsequent recoveries of amounts previously written off are credited against the same line item.

Receivables are written off when there is no reasonable expectation of recovery.

The allowance was recognised when there was objective evidence that a receivable was impaired. The allowance for impairment was recognised in other expenses for specific debtors and debtors assessed on a collective basis for which such evidence existed.

Market risk

The Authority manages its risk in accordance with the SA Government's risk management strategy articulated in TI 23 *Management of Foreign Currency Exposures*.

The Authority holds a foreign exchange deposit with SAFA at 30 June 2022. This relates to the Electronic Court Management System milestone payment. Refer to 6.1

Gains or losses on this deposit have been recognised within the financial statements. Refer to note 2.6 (for 2021 refer to note 4.5)

The Authority does not trade in foreign currency, nor enter into transactions for speculative purposes.

There have been no changes in risk exposure since the last reporting period.

**Courts Administration Authority
2021-22 Financial Statements**

Categorisation of financial instruments

Details of the material accounting policy information 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 the respective financial asset / financial liability note.

Classification of financial instruments

The Authority measures all financial instruments at amortised cost.

Maturity analysis of financial instruments

Category of financial asset and financial liability	Note	2022	2022 contractual maturities *		
		Carrying amount/ Fair value (\$'000)	Within 1 year (\$'000)	1-5 years (\$'000)	5+ years (\$'000)
<u>Financial assets</u>					
Cash and cash equivalents					
Cash and cash equivalents	6.1	52,343	n/a	n/a	n/a
Financial assets at amortised cost					
Receivables **	6.2	56	n/a	n/a	n/a
Total financial assets		52,399	-	-	-
<u>Financial liabilities</u>					
Financial liabilities at amortised cost					
Payables **	7.1	4,901	-	-	-
Lease liabilities	7.2	23,098	1,603	6,587	14,908
Total financial liabilities		27,999	1,603	6,587	14,908

Category of financial asset and financial liability	Note	2021	2021 contractual maturities *		
		Carrying amount / Fair value (\$'000)	Within 1 year (\$'000)	1-5 years (\$'000)	5+ years (\$'000)
<u>Financial assets</u>					
Cash and cash equivalents					
Cash and cash equivalents	6.1	44,767	n/a	n/a	n/a
Financial assets at amortised cost					
Receivables **	6.2	290	n/a	n/a	n/a
Total financial assets		45,057	-	-	-
<u>Financial liabilities</u>					
Financial liabilities at amortised cost					
Payables**	7.1	4,726	-	-	-
Lease liabilities	7.2	23,893	1,527	6,251	16,115
Total financial liabilities		28,619	1,527	6,251	16,115

*Maturities analysis is presented using the undiscounted cash flows and therefore may not total to equal the carrying amount/fair value of the financial instrument.

** Total amounts disclosed here exclude statutory amounts. Receivables do not include prepayments as these are not financial instruments. Prepayments are presented in note 6.2.

**Courts Administration Authority
2021-22 Financial Statements**

Statutory receivables and payables

The receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables. This includes Commonwealth, State and Local Government taxes and equivalents, fees and charges; and Auditor-General's Department audit fees. This is in addition to employee related payables, such as payroll tax, Fringe Benefits Tax, Pay As You Go Withholding and ReturnToWorkSA levies. In government, certain rights to receive or pay cash may not be contractual but have their source in legislation and therefore, in these situations, the disclosure requirements of AASB 7 will not apply. The standard defines contract as enforceable by law. All amounts recorded are carried at cost.

Courts Administration Authority
2021-22 Financial Statements

Statement of Administered Comprehensive Income

for the Year ended 30 June 2022

	Note	2022 \$'000	2021 \$'000
Administered Income			
Revenues from SA Government		44,985	44,540
Court fees		20,598	18,221
Transcript fees		1,517	1,513
Fines Enforcement Recovery Unit income		3	7
Gain/(loss) from disposal of right-of-use vehicles		1	(1)
Other revenues		550	600
Total administered income		67,654	64,880
Administered Expenses			
Judicial benefits expenses	A4	44,349	43,889
Leases expenses		268	180
Payments to Fines Enforcement Recovery Unit		3	7
Payments to Consolidated Account		22,060	19,686
Depreciation and amortisation		365	462
Interest cost on lease liabilities		4	8
Other expenses		605	648
Total administered expenses		67,654	64,880
Net result and total comprehensive result		-	-

Net result and total comprehensive result are attributable to the SA Government as owner.

The accompanying notes form part of these financial statements.

**Courts Administration Authority
2021-22 Financial Statements**

Statement of Administered Financial Position

as at 30 June 2022

	Note	2022 \$'000	2021 \$'000
Administered Current Assets			
Cash and cash equivalents	A7	90,922	58,684
Receivables	A8	4,248	5,993
Total current assets		95,170	64,677
Administered Non-Current Assets			
Property, plant and equipment	A6	564	491
Total non-current assets		564	491
Total assets		95,734	65,168
Administered Current Liabilities			
Payables	A9	3,954	3,870
Lease liabilities	A10	309	302
Judicial benefits liability	A5	4,326	4,846
Other liabilities	A11	85,802	52,398
Total current liabilities		94,391	61,416
Administered Non-Current Liabilities			
Payables	A9	1,203	1,505
Lease liabilities	A10	257	193
Judicial benefits liability	A5	7,851	10,022
Total non-current liabilities		9,311	11,720
Total liabilities		103,702	73,136
Net Assets		(7,968)	(7,968)
Administered Equity			
Accumulated deficit		(7,968)	(7,968)
Total administered equity		(7,968)	(7,968)

Total administered equity is attributable to the SA Government as owner.

The accompanying notes form part of these financial statements.

**Courts Administration Authority
2021-22 Financial Statements**

Statement of Administered Cash Flows

For the year ended 30 June 2022

	Note	2022	2021
<u>Cash flows from administered activities</u>		\$'000	\$'000
<u>Cash inflows</u>			
Receipts from SA Government		46,887	43,450
Receipts into trust accounts		116,951	49,575
Court fees		20,426	18,343
Transcript fees		1,529	1,512
Fines Enforcement Recovery Unit receipts		3	7
GST recovered from the ATO		58	48
Other receipts		608	632
Total cash generated from administered activities		186,462	113,567
<u>Cash outflows</u>			
Judicial benefits		(47,394)	(43,888)
Payments to consolidated account		(22,034)	(19,092)
Payments from trust accounts		(83,562)	(81,386)
Payments to Fines Enforcement Recovery Unit		(3)	(7)
Interest on borrowing		(4)	(8)
Other payments		(860)	(821)
Total cash (used in) administered activities		(153,857)	(145,202)
Net operating cash (used in)/provided by administered activities	A12	32,605	(31,635)
<u>Cash flows from financing activities</u>			
<u>Cash outflows</u>			
Repayment of leases		(367)	(463)
Net cash (used in) financing activities		(367)	(463)
Net increase in cash and cash equivalents		32,238	(32,098)
Cash and cash equivalents at beginning of financial year		58,684	90,782
Cash and cash equivalents at end of financial year	A7	90,922	58,684

The accompanying notes for part of these financial statements.

**Courts Administration Authority
2021-22 Financial Statements**

Notes to Administered Items

CONTENTS

Note A1	Basis of preparation and accounting policies	46
Note A2	Objectives/activities of the Authority's administered items	46
Note A3	Administered budget performance	47
Note A4	Judicial benefits expenses	48
Note A5	Judicial benefits liability	49
Note A6	Administered property, plant and equipment	50
Note A7	Administered cash and cash equivalents	51
Note A8	Administered receivables	52
Note A9	Administered payables	53
Note A10	Administered leases liability	54
Note A11	Administered other liabilities	54
Note A12	Administered cash flow reconciliation	55

Courts Administration Authority 2021-22 Financial Statements

Note A1 Basis of preparation and accounting policies

The basis of preparation for the administered financial statements is the same as the basis outlined in note 1.1. The Courts Administration Authority (Authority) applies the accounting policies to the administered financial statements that are set out in the notes to the Authority's financial statements.

The Authority is responsible for the administration of courts activities on behalf of the SA Government. In performing these activities, certain trust funds are held for, and distributed to, external parties. The Authority has no right over these funds.

Note A2 Objectives/activities of the Authority's administered items

The principal activities administered by the Authority are mainly comprised of the following transactions:

- Judicial expenses – The Authority makes payments pursuant to the *Remuneration Act 1990* for the judiciary. These expenses include judicial salaries and associated on-costs (superannuation and payroll tax), judicial vehicle expenses and related Fringe Benefits Tax.
- Court fees and transcripts fees – The Authority processes revenue from fees charged under regulations to various Acts. Examples of these fees include lodgment fees in the various jurisdictions and sale of evidence/transcripts. Court fees and transcript fees are recognised upon delivery of the service. The revenue is directly credited and paid to the Consolidated Account.
- Other revenue includes recovery from other SA Government agencies for witness fees paid when the witness fee expense is incurred.
- Trust accounts - The Authority receives monies into trust accounts on behalf of parties involved in court matters and makes payments to parties as determined by the court. The monies are held in deposits with the Treasurer and an external bank.

The administered activities of the Authority are mainly from one activity named as Court and Tribunal Case Resolution Services. It consists of the resolution of criminal, civil, appellate, coronial and probate matters in the State's courts and tribunals.

**Courts Administration Authority
2021-22 Financial Statements**

Note A3 Administered budget performance

The budget performance table compares the authority's outcomes against the administered budget information presented to Parliament (2021-22 Budget Paper 4). The budget amounts have not been adjusted to reflect revised budgets or administrative restructures. The budget process is not subject to audit.

	Note	Original budget 2022 \$'000	Actual 2022 \$'000	Variance \$'000
Statement of Administered Comprehensive Income				
Administered Income				
Revenues from SA Government		46,592	44,985	(1,607)
Court fees		21,911	20,598	(1,313)
Transcript fees		1,478	1,517	39
Fines Enforcement Recovery Unit Income		-	3	3
Gain/(loss) from disposal of right-of-use vehicles		-	1	1
Other Revenues		1,138	550	(588)
Total administered income		71,119	67,654	(3,465)
Administered Expenses				
Judicial benefits expenses	A4	46,057	44,349	(1,708)
Leases expenses		-	268	268
Payments to Fines Enforcement Recovery Unit		-	3	3
Payments to Consolidated Account		23,389	22,060	(1,329)
Depreciation and amortisation		519	365	(154)
Interest cost on lease liabilities		16	4	(12)
Other expenses		1,138	605	(533)
Total administered expenses		71,119	67,654	(3,465)
Net and total comprehensive result		-	-	-

There was no variance that exceeds the greater of 10% of the original budgeted amount and 5% of original budgeted total expenses.

**Courts Administration Authority
2021-22 Financial Statements**

Note A4 Judicial benefits expenses

	2022 \$'000	2021 \$'000
Salaries and wages	31,323	30,319
Long service leave	391	1,121
Annual leave	2,511	2,424
Employment on-costs - superannuation*	6,713	6,733
Employment on-costs - payroll tax	2,121	2,110
Other judicial related expenses	1,290	1,182
Total judicial benefits expenses	44,349	43,889

*** Employment on-costs - superannuation**

The superannuation employment on-cost charge represents the Authority's contributions to superannuation plans in respect of current services of current judicial officers.

Judicial remuneration

The table includes all judicial officers who received remuneration equal to or greater than the base executive remuneration level during the year.

	2022	2021		2022	2021
The number of judicial officers whose remuneration received or receivable falls within the following bands:					
\$157,001 to \$177,000	-	1	\$457,001 to \$477,000	3	-
\$177,001 to \$197,000	2	-	\$477,001 to \$497,000	-	1
\$197,001 to \$217,000	2	-	\$497,001 to \$517,000	2	-
\$217,001 to \$237,000	1	-	\$537,001 to \$557,000	-	1
\$237,001 to \$257,000	3	2	\$557,001 to \$577,000	2	20
\$257,001 to \$277,000	1	-	\$577,001 to \$597,000	19	2
\$317,001 to \$337,000	-	5	\$597,001 to \$617,000	2	-
\$337,001 to \$357,000	6	-	\$617,001 to \$637,000	-	6
\$357,001 to \$377,000	3	4	\$637,001 to \$657,000	4	6
\$377,001 to \$397,000	2	14	\$657,001 to \$677,000	6	-
\$397,001 to \$417,000	22	15	\$677,001 to \$697,000	2	-
\$417,001 to \$437,000	9	7	\$697,001 to \$717,000	-	1
\$437,001 to \$457,000	5	2	\$717,001 to \$737,000	1	-
Total number of judicial officers	97	87			

Remuneration of judicial officers reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, salary sacrifice and fringe benefits and any fringe benefit tax paid/payable in respect of those benefits. The total remuneration received by these judicial officers for the year was \$45.5 million (\$40.9 million).

**Courts Administration Authority
2021-22 Financial Statements**

Note A5 Judicial benefits liability

	2022 \$'000	2021 \$'000
Current:		
Accrued salaries and wages	-	625
Annual leave	2,629	2,575
Long service leave	1,697	1,646
Total current judicial benefits liability	4,326	4,846
Non-Current:		
Long service leave	7,851	10,022
Total non-current judicial benefits liability	7,851	10,022
Total judicial benefits liability	12,177	14,868

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

Salaries and Wages and Annual Leave

The liability for salaries and wages is measured as the amount unpaid at the reporting date at remuneration rates current at the reporting date.

The annual leave liability is expected to be payable within 12 months and is measured at the undiscounted amount expected to be paid.

Long Service Leave

The liability for long service leave is measured as the present value of expected future payments to be made in respect of services provided by the judicial members up to the end of the reporting period using the projected unit credit method. Details about the measurement of long service leave liability is provided as note 10.1.

The actuarial assessment performed by the Department of Treasury and Finance has provided a basis for the measurement of long service leave. AASB 119 requires the use of the yield on long-term Commonwealth Government bonds as the discount rate in the measurement of the long service leave liability. The yield on long-term Commonwealth Government bonds is 3.50% (2021: 1.25%).

The net financial effect of the changes to actuarial assumptions in the current financial year is a decrease in the long service leave liability and expense of \$1.64 million. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of demographical and financial assumptions including the long-term discount rate.

The Authority has used the average leave pattern history of previous years to allocate the current and non-current liability.

**Courts Administration Authority
2021-22 Financial Statements**

Note A6 Administered property, plant and equipment

	2022	2021
	\$'000	\$'000
Property, plant and equipment comprises of right-of-use vehicles leased with Fleet SA		
Right-of-use vehicles at cost	988	1,137
Accumulated depreciation at the end of the period	(424)	(646)
Total right-of-use vehicles	564	491
Total property, plant and equipment	564	491

Administered property, plant and equipment are motor vehicles leased and recorded by the Authority at cost. Additions to leased motor vehicles during 2021-22 were \$478,000.

53 motor vehicle leases are with the South Australian Government Funding Authority (SAFA). Motor vehicle leases are non-cancellable, with rental payments monthly in arrears. Motor vehicle lease term is 3 years (60,000km). No contingent rental provisions exist within the lease agreements and no options exist to renew the leases at the end of their term.

The lease liabilities related to the right-of-use assets and the maturity analysis of its lease liabilities is disclosed in note A10. Expenses related to leases, including depreciation and interest expenses, are disclosed in the statement of administered comprehensive income. Cash outflows related to leases are disclosed in the statement of administered cash flows.

**Courts Administration Authority
2021-22 Financial Statements**

Note A7 Administered cash and cash equivalents

	2022 \$'000	2021 \$'000
Deposits with the Treasurer	90,121	58,128
Deposit at bank	801	556
Total Administered cash and cash equivalents	90,922	58,684

Deposits with the Treasurer

The Authority has three deposits with the Treasurer: a general operating account for administered transactions which does not earn interest, and two special deposit accounts for trust monies payable to external parties, which earn interest. In November 2020, Treasury advised the Authority given the low interest rates being approximately 0%, no interest would be paid to the two special accounts. Therefore no interest was earned during 2022.

Deposit at bank

The deposit at bank for trust monies earns interest and is payable to external parties.

The trust monies held and payable to external parties are \$82.8 million (\$49.4 million). Refer to note A11.

**Courts Administration Authority
2021-22 Financial Statements**

Note A8 Administered receivables

	2022	2021
	\$'000	\$'000
Current		
<u>Trade receivables</u>		
Debtors		
From government entities	29	60
From non-government entities	412	274
Less: impairment loss on receivables	(102)	(113)
Total trade receivables	339	221
<u>Statutory receivables</u>		
Prepaid judicial benefits on-costs	26	-
Accrued revenue	3,744	5,660
Total statutory receivables	3,770	5,660
Prepayments	139	112
Total current receivables	4,248	5,993

Receivables are raised at the time service is provided only where it is probable that the revenues will be received. Receivables are to be settled within 30 days after the issue of an invoice. Accrued revenue are mainly statutory revenue from SA Government which do not have credit risk. Receivables and accrued revenue are non-interest-bearing.

Allowance for impairment of receivables

Carrying amount at the beginning of the period	113	117
Amounts written off	(65)	(19)
Amount recovered during the year	(12)	(1)
Increase in allowance recognised in profit and loss	66	16
Carrying amount at the end of the period	102	113

Collectability of receivables is reviewed on an ongoing basis. An allowance for impairment is raised when there is objective evidence that the Authority will not be able to collect the debt. Other than as recognised in the allowance for impairment loss, it is not anticipated that counterparties will fail to discharge their obligations. The carrying amount of receivables approximates net fair value due to being receivable on demand. There is no concentration of credit risk.

**Courts Administration Authority
2021-22 Financial Statements**

Note A9 Administered payables

	2022 \$'000	2021 \$'000
Current		
Trade payables	-	1
Accrued expenses	8	8
<u>Statutory payables</u>		
Creditors	468	168
FBT payable	195	184
GST payable	1	-
Judicial benefits on-costs	975	1,228
Accrued expense	2,307	2,281
Total current administered payables	3,954	3,870
Non-Current		
<u>Statutory payables</u>		
Judicial benefits on-costs	1,203	1,505
Total non-current administered payables	1,203	1,505
Total administered payables	5,157	5,375

Payables and accruals are measured at nominal amounts. Creditors and accrued expenses are mainly statutory payables (e.g. Commonwealth tax and Consolidated account) which has no credit risk. All payables are non-interest-bearing.

The net amount of GST recoverable from the Australian Taxation Office is included as part of payables.

Judicial benefits on-costs

Judicial benefits on-costs are settled when the respective judicial benefits that they relate to are discharged.

Judicial benefits on-costs include payroll tax and superannuation contributions.

The Authority contributes to several State Government managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The only liability outstanding at balance date relates to any contributions due but not yet paid to the South Australian Superannuation Board.

As a result of an actuarial assessment performed by the Department of Treasury and Finance, the proportion of long service leave taken remains at the same rate of 42% in 2022 and the average factor for the calculation of employer superannuation on-cost increased from 10.1% in 2021 to 10.6% in 2022. These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year is an increase in the employment on-cost of \$7,000. The impact on future years is impractical to estimate. Refer to note A5 Judicial Benefits liability.

**Courts Administration Authority
2021-22 Financial Statements**

Note A10 Administered leases liability

	2022 \$'000	2021 \$'000
Current lease liability	309	302
Non current lease liability	257	193
Total lease liability	566	495
Within one year	309	302
Later than one year but not longer than five years	257	193
Total lease liability	566	495

Note A11 Administered other liabilities

	2022 \$'000	2021 \$'000
Current		
Trust accounts	82,838	49,443
Unclaimed money	2,964	2,955
Total administered other liabilities	85,802	52,398

**Courts Administration Authority
2021-22 Financial Statements**

Note A12 Administered cash flow reconciliation

	2022	2021
	\$'000	\$'000
Reconciliation of cash and cash equivalents at the end of the reporting period:		
Cash and cash equivalents disclosed in the Statement of Administered Financial Position	90,922	58,684
Balance as per the Statement of Administered Cash Flows	90,922	58,684
Reconciliation of net operating cash provided by administered activities to total comprehensive result:		
Net cash (used in) provided by operating activities	32,605	(31,635)
Less: non-cash items		
Impairment of receivables	(55)	(48)
Depreciation and amortisation	(365)	(462)
Gain/(Loss) from disposal of right-of-use vehicles	1	(1)
Movements in administered assets and liabilities		
(Decrease)/increase in receivables	(1,691)	1,093
Decrease in judicial benefits liability	2,691	18
Decrease)/(increase) in payables	218	(756)
(Increase) decrease in other liabilities	(33,404)	31,791
Net result	-	-

Total cash outflow for leases was \$722,000 (2021: \$720,000)