

Courts Administration Authority

Financial report
for the year ended
30 June 2021



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 2021.

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 2021, 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 2021
- a Statement of Financial Position as at 30 June 2021
- a Statement of Changes in Equity for the year ended 30 June 2021
- a Statement of Cash Flows for the year ended 30 June 2021
- Disaggregated Disclosures – Expenses and Income for the year ended 30 June 2021
- Disaggregated Disclosures – Assets and Liabilities as at 30 June 2021
- notes, comprising significant accounting policies and other explanatory information
- a Statement of Administered Comprehensive Income for the year ended 30 June 2021
- a Statement of Administered Financial Position as at 30 June 2021
- a Statement of Administered Cash Flows for the year ended 30 June 2021
- 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 / 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 entity’s ability to continue as a going concern, taking into account any policy or funding decisions the government has made which affect the continued existence of the entity. The 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 Courts Administration Authority for the financial year ended 30 June 2021.

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

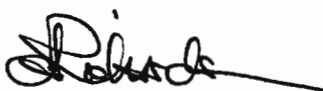
reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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.



Andrew Richardson

Auditor-General

20 September 2021

Courts Administration Authority
Certification of the Financial Statements
For the year ended 30 June 2021

We certify that the:

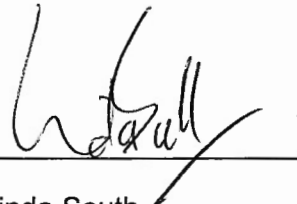
- financial statements of the Courts Administration Authority:
 - are in accordance with the accounts and records of the Authority; and
 - comply with relevant Treasurer's Instructions; and
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the 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

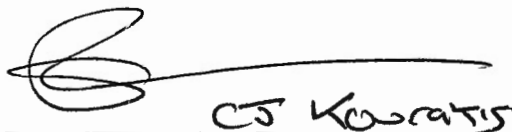
15 September 2021



Linda South

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

15 September 2021



The Honourable Christopher Kourakis

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

15 September 2021

**Courts Administration Authority
2020-21 Financial Statements**

**Courts Administration Authority
Statement of Comprehensive Income**

For the year ended 30 June 2021

	Note	2021 \$'000	2020 \$'000
Income			
Revenues from SA Government	2.1	109,193	111,514
Fees and charges	2.2	3,054	2,652
SA Government grants, subsidies and transfers	2.3	634	1,077
Sales of goods and services	2.4	299	290
Resources received free of charge	2.5	614	148
Other income	2.6	502	518
Total Income		114,296	116,199
Expenses			
Employee benefits expenses	3.3	59,877	56,988
Supplies and services	4.1	30,695	26,786
Depreciation and amortisation	4.2	10,687	7,403
Borrowing Costs	4.3	473	589
Net loss from disposal of property, plant and equipment	4.4	41	8
Other expenses	4.5	290	280
Total Expenses		102,063	92,054
Net Result		12,233	24,145
Other Comprehensive Income			
Item that will not be reclassified to net result			
Changes in property, plant and equipment asset revaluation surplus	5.2	-	67,107
Total other comprehensive income		-	67,107
Total comprehensive result		12,233	91,252

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
2020-21 Financial Statements**

**Courts Administration Authority
Statement of Financial Position**

For the year ended 30 June 2021

	Note	2021 \$'000	2020 \$'000
Current assets			
Cash and cash equivalents	6.1	44,767	30,259
Receivables	6.2	2,294	1,901
Non-current assets classified as held for sale	5.5	2,406	2,406
Total current assets		49,467	34,566
Non-current assets			
Property, plant and equipment	5.1	337,719	340,539
Intangible assets	5.4	11,222	8,686
Total non-current assets		348,941	349,225
Total assets		398,408	383,791
Current liabilities			
Payables	7.1	6,114	5,603
Employee benefits liability	3.4	6,105	6,279
Financial liabilities	7.2	1,527	1,456
Provisions	7.3	787	556
Other current liabilities	7.4	503	274
Total current liabilities		15,036	14,168
Non-current liabilities			
Payables	7.1	920	1,003
Employee benefits liability	3.4	9,777	10,821
Financial liabilities	7.2	22,366	23,280
Provisions	7.3	4,358	801
Total non-current liabilities		37,421	35,905
Total liabilities		52,457	50,073
Net Assets		345,951	333,718
Equity			
Contributed capital		3,140	3,140
Retained earnings		138,755	126,522
Asset revaluation surplus	8.1	204,056	204,056
Total equity		345,951	333,718

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

The accompanying notes form part of these financial statements.

**Courts Administration Authority
2020-21 Financial Statements**

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

For the year ended 30 June 2021

Note	Asset			Total Equity \$'000
	Contributed Capital \$'000	Revaluation Surplus \$'000	Retained Earnings \$'000	
Balance at 1 July 2019	3,140	136,949	102,377	242,466
<u>Net result for 2019-20</u>	-	-	24,145	24,145
Gain on revaluation of land and building in 2019-20	-	67,107	-	67,107
Total comprehensive result for 2019-20	-	67,107	24,145	91,252
Balance at 30 June 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

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

The accompanying notes form part of these financial statements.

**Courts Administration Authority
2020-21 Financial Statements**

**Courts Administration Authority
Statement of Cash Flows**

For the year ended 30 June 2021

	Note	2021 \$'000	2020 \$'000
<u>Cash flows from operating activities</u>			
<u>Cash Inflows</u>			
Appropriation			
Receipts from SA Government		109,193	111,514
Fees and charges		3,144	2,796
SA Government grants, subsidies and transfers		754	1,077
GST recovered from the ATO		3,348	9,753
Other receipts		801	808
Receipts for paid parental leave scheme		100	83
Cash generated from operations		117,340	126,031
<u>Cash Outflows</u>			
Employee benefits payments		(57,350)	(57,178)
Payments for supplies and services		(32,564)	(32,213)
Interest paid		(473)	(589)
Payments for paid parental leave scheme		(86)	(87)
Other payments		(81)	(61)
Cash used in operations		(90,554)	(90,128)
Net cash provided by (used in) operating activities	8.2	26,786	35,903
<u>Cash flows from investing activities</u>			
<u>Cash Outflows</u>			
Purchase of property, plant and equipment		(7,782)	(25,004)
Purchase of intangibles		(2,984)	(4,942)
Net cash (used in) investing activities		(10,766)	(29,946)
<u>Cash flows from financing activities</u>			
<u>Cash outflows</u>			
Repayment of principal portion of lease liabilities		(1,512)	(1,313)
Net cash provided by (used in) financing activities		(1,512)	(1,313)
Net increase/(decrease) in cash and cash equivalents		14,508	4,644
Cash and cash equivalents at the beginning of the period		30,259	25,615
Cash and cash equivalents at the end of the period	6.1	44,767	30,259

The accompanying notes form part of these financial statements.

**Courts Administration Authority
2020-21 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	17
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.....	25
5.4 Intangible assets	25
5.5 Non-current assets classified as held for sale.....	26
6 Financial assets.....	27
6.1 Cash and cash equivalents.....	27
6.2 Receivables.....	27
7 Liabilities.....	29
7.1 Payables.....	29
7.2 Financial liabilities.....	30
7.3 Provisions	30
7.4 Other Liabilities.....	30
8 Other disclosures.....	31
8.1 Equity.....	31
8.2 Cash flow	31
9 Outlook.....	32
9.1 Unrecognised contractual commitments	32
9.2 Contingent assets and liabilities	33
9.3 COVID-19 pandemic outlook for the Authority	33
9.4 Events after the reporting period	33
10 Measurement and risk	33
10.1 Long service leave liability – measurement.....	33
10.2 Fair value	33
10.3 Financial Instruments	37

**Courts Administration Authority
2020-21 Financial Statements**

1. About the Courts Administration Authority

The Courts Administration Authority (the Authority), comprised of the State Courts Administration Council (Council), State Courts Administrator and the staff of the Council under the *Courts Administration Act 1993*, is the reporting entity.

The Authority is the mechanism via which the Council discharges its financial obligations. Therefore, all reporting is undertaken in the name of the Authority.

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

Administered financial statements relating to administered resources are presented separately as part of this report starting from page 41.

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 2020-21 Financial Statements

1.2. Objectives and programs

The Council was established by the *Courts Administration Act 1993 (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
2020-21 Financial Statements**

Expenses and Income by Program

For the year ended 30 June 2021

	Program 1		Program 2		Total	
	2021	2020	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<u>Income</u>						
Appropriation						
Revenues from SA Government	105,810	107,362	3,383	4,152	109,193	111,514
Fees and Charges	3,052	2,652	2	-	3,054	2,652
SA Government grants, subsidies and transfers	614	896	20	182	634	1,077
Sales of goods and services	299	290	-	-	299	290
Resources received free of charge	593	148	21	-	614	148
Other Income	501	518	1	-	502	518
Total Income	110,869	111,866	3,427	4,334	114,296	116,199
<u>Expenses</u>						
Employee benefits expenses	57,569	54,225	2,308	2,764	59,877	56,988
Supplies and services	30,002	26,278	693	508	30,695	26,786
Depreciation and amortisation	10,652	7,390	35	13	10,687	7,403
Borrowing Costs	473	589	-	-	473	589
Net loss from disposal of property, plant and equipment	41	8	-	-	41	8
Other expenses	280	272	10	8	290	280
Total expenses	99,017	88,762	3,046	3,293	102,063	92,054
Net Result	11,852	23,104	381	1,041	12,233	24,145

**Courts Administration Authority
2020-21 Financial Statements**

Assets and liabilities by Program

For the year ended 30 June 2021

	Program 1		Program 2		General/not attributable		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000			\$'000	\$'000
Assets								
Cash and cash equivalents	-	-	-	-	44,767	30,259	44,767	30,259
Receivables	2,294	1,901	-	-	-	-	2,294	1,901
Non-current assets classified as held for sale	2,370	2,364	36	42	-	-	2,406	2,406
Property, plant and equipment	332,618	334,657	5,101	5,882	-	-	337,719	340,539
Intangible assets	11,052	8,536	170	150	-	-	11,222	8,686
Total assets	348,334	347,458	5,307	6,074	44,767	30,259	398,408	383,791
Liabilities								
Payables	6,875	6,481	159	125	-	-	7,034	6,606
Financial liabilities	23,893	24,736	-	-	-	-	23,893	24,736
Employee benefits liability	15,270	16,271	612	829	-	-	15,882	17,100
Provisions	4,961	1,318	184	39	-	-	5,145	1,357
Other liabilities	503	274	-	-	-	-	503	274
Total liabilities	51,502	49,080	955	993	-	-	52,457	50,073

**Courts Administration Authority
2020-21 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 2020-21 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 (2020-21 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 2021 \$'000	Actual 2021 \$'000	Variance \$'000
Income				
Revenues from SA Government		109,443	109,193	(250)
Fees and charges		4,413	3,054	(1,359)
SA Government grants, subsidies and transfers		-	634	634
Other income		-	299	299
Resources received free of charge		-	614	614
Other income		-	502	502
Total Income		113,856	114,296	440
Expenses				
Employee benefits expenses		58,476	59,877	1,401
Supplies and services		30,381	30,695	314
Depreciation and amortisation		10,837	10,687	(150)
Borrowing costs		553	473	(80)
Net loss from disposal of property, plant and equipment		-	41	41
Other expenses		1,413	290	(1,123)
Total Expenses		101,660	102,063	403
Net Result		12,196	12,233	37

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
2020-21 Financial Statements**

Investing expenditure summary

	Note	Original budget 2021 \$'000	Actual 2021 \$'000	Variance \$'000
Total new projects	(a)	8,847	3,526	(5,321)
Total existing projects	(b)	7,706	3,249	(4,457)
Total annual programs		2,249	2,996	747
Total investing expenditure		18,802	9,771	(9,031)

The variation between Actual Expenditure and Original Budget relates to timing of expenditure on key projects, including:

- (a) new projects in Sir Samuel Way Building Facade, Court of Appeal and Audio visual link Infrastructure upgrade and
- (b) existing project in Electronic Court Management System and completed Higher Courts Redevelopment project.

The Authority will apply to the Department of Treasury to carryover unspent project funds to be used in 2021-22.

1.5. Significant transactions with government related entities

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

**Courts Administration Authority
2020-21 Financial Statements**

2. Income

2.1 Revenues from SA Government

	2021 \$'000	2020 \$'000
Appropriation from Consolidated Account pursuant to the <i>Appropriation Act</i>	109,193	109,489
Appropriation from Governor's Appropriation Fund	-	2,025
Total Revenues from SA Government	109,193	111,514

Appropriations are recognised as income on receipt.

Appropriation pursuant to the *Appropriation Act* consists of \$90.4 million (\$82.4 million) for operational funding and \$18.7 million (\$29.1 million) for capital projects.

2.2 Fees and charges

	2021 \$'000	2020 \$'000
Sheriff's officer fees	1,801	1,448
Library levy	799	818
Other regulatory fees	454	386
Total fees and charges	3,054	2,652

The Authority charges regulatory fees in South Australia under the *Public Sector Finance & Audit Act 1987*. The *Act* sets out the basis for the regulatory fees and provides that the Authority may use fees collected for its purposes.

2.3 SA Government grants, subsidies and transfers

	2021 \$'000	2020 \$'000
Recovery from the Department of Treasury and Finance for TVSPs	414	1,067
Other SA Government grants, subsidies and transfers	220	10
Total SA Government grants, subsidies and transfers	634	1,077

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

2.4 Sales of goods & services

	2021 \$'000	2020 \$'000
Sale of electronic information	299	290
Total sales of goods and services	299	290

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

**Courts Administration Authority
2020-21 Financial Statements**

2.5 Resources received free of charge

	2021	2020
	\$'000	\$'000
Assets Transfer	37	148
Resources received free of charge	577	-
Total other resources received free of charge	614	148

The Authority received three battery energy storage systems from the Department of Trade and Investment during 2020-21.

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

	2021	2020
	\$'000	\$'000
Rent recoveries	405	378
Recoup of services	97	94
Grants	-	46
Total other income	502	518

**Courts Administration Authority
2020-21 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, the State Courts Administrator and members of the Authority's executive team. Total compensation for key management personnel was \$5.3 million (\$5.0 million).

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*.

	2021	2020
	\$'000	\$'000
<u>Compensation</u>		
Salaries and other short term employee benefits	3,973	3,844
Post-employment benefits	1,058	1,187
Other long-term employment benefits	335	18
Total compensation	5,366	5,049

Transactions with key management personnel and other related parties

Key Management Personnel Compensation includes compensation of \$3.8 million (\$3.5 million) to judicial officers, which is included in the Authority's Administered Statement.

All Authority transactions with government related entities during 2021 were minor commercial or ordinary intragovernmental operational transactions. Refer to note 1.5. There were no significant transactions with government related entities. There were no transactions with key management personnel and other related parties in 2020-21.

**Courts Administration Authority
2020-21 Financial Statements**

3.2. Board and committee members

Members during the 2021 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* (commencement 26/10/2020)
Judge	Wayne Chivell* (retired 19/10/2020)
Supervising Regional Manager - Magistrate	Brett Dixon *

Administrative and Disciplinary Division of the District Court

Allan Andersen (expired 31/10/2020)	Kerry Reed
Andrew Clark (expired 31/10/2020)	Kym Magokin (expired 31/10/2020)
Andrew Hill	Manuel Pipinias
Bruce Parker	Mark Sanderson (expired 31/10/2020)
Caleb Robins (expired 31/10/2020)	Mark Stevens (expired 31/10/2020)
Christopher Short	Mark Woods
Clive Smith	Michael Bonaccorso
Darryn Aldous (expired 31/10/2020)	Michael Horner (expired 31/10/2020)
David Beattie (expired 31/10/2020)	Michael Rice (expired 31/10/2020)
David Bell (expired 31/10/2020)	Michael Standish
David Christian (expired 31/10/2020)	Nathan Fox (expired 31/10/2020)
David Roe (expired 31/10/2020)	Nathan Robins (expired 31/10/2020)
Garry Minuzzo	Neil McLean
Garth Palmer (expired 31/10/2020)	Nicholas Bell (expired 31/10/2020)
George Kamencak	Patrick Innes (expired 31/10/2020)
Gregory Davis (expired 31/10/2020)	Paul Szumski (expired 31/10/2020)
Harald Klavins	Peter Panagaris
Jean Hutchinson	Peter Rea
John Iwanus (expired 31/10/2020)	Peter Timms (expired 31/10/2020)
Joseph Bagnara	Richard Hoffman
Karen Von Einem (expired 31/10/2020)	Robin Turner (expired 31/10/2020)
Kelly Matthews (expired 31/10/2020)	Thomas Tirrell (expired 31/10/2020)
	Tracey Loftes (expired 31/10/2020)

Training Centre Review Board

Judge – Penny Eldridge*	Fiona Curnow *
Barry Jennings *	Jasmine Tonkin *
Branka King	Karmen Leisa Conway * (appointed 23/07/20)
Christopher Boltje	Katrina Dee *
Craig Wolfe*	Nikki Kelly (formerly Lamshed)
Dale Agius*	Sarah Macdonald*
Darryn Keneally	Sharon McKell*
David Kyriacou* (appointed 23/7/20)	Suraya Naidoo
Ester Huxtable	Tamara Brooks*
Eigene Warrior	Tiffany Downing
	Timothy Curtis*

**Courts Administration Authority
2020-21 Financial Statements**

*In accordance with the Premier and Cabinet Circular No. 016, 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 Disciplinary Act 2016* and do not have any other members.

Board and committee remuneration

	2021	2020
The number of members whose remuneration received or receivable falls within the following bands		
\$0 - \$19,999	5	4
\$20,000 - \$39,999	-	1
Total number of members	5	5

The total remuneration received or receivable by members was \$21,000 (\$38,000). Remuneration of members includes sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and related fringe benefits tax.

**Courts Administration Authority
2020-21 Financial Statements**

3.3. Employee benefits expenses

	2021 \$'000	2020 \$'000
Salaries and wages	42,896	41,809
Targeted Voluntary Separation Packages	416	1,053
Long service leave	148	694
Annual leave	4,151	4,370
Skill and experience retention leave	305	289
Employment on-costs - superannuation*	4,776	5,120
Employment on-costs - payroll tax	2,585	2,614
Board and committee expenses	21	40
Workers compensation	4,503	919
Other employee related expenses	76	80
Total employee benefits expenses	59,877	56,988

Members of the Judiciary are not employees of the Authority. Salaries and other expenditure in relation to the Judiciary are reported in the administered financial statements.

***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.

Employee remuneration

	2021 No	2020 No
The number of employees whose remuneration received or receivable falls within the following bands:		
\$154,001 to \$174,000	6	2
\$174,001 to \$194,000	2	1
\$194,001 to \$214,000	1	1
\$214,001 to \$234,000	2	3
\$234,001 to \$254,000	1	1
\$254,001 to \$274,000	-	1
\$314,001 to \$334,000	-	1
Total	12	10

The total remuneration received by these employees for the year was \$2.2 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.

**Courts Administration Authority
2020-21 Financial Statements**

Targeted voluntary separation packages (TVSPs)

	2021 \$'000	2020 \$'000
Amount paid to separated employees:		
Targeted Voluntary Separation Packages	416	1,053
Leave paid to those employees	212	317
Recovery from the Department of Treasury and Finance	(414)	(1,067)
Net cost to the Authority	214	303

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

3.4. Employee benefits liability

	2021 \$'000	2020 \$'000
Current:		
Accrued salaries and wages	1,196	1,318
Annual leave	3,635	3,513
Long service leave	920	1,130
Skills and experience retention leave	354	318
Total current employee benefits	6,105	6,279
Non-Current:		
Long service leave	9,777	10,821
Total non-current employee benefits	9,777	10,821
Total employee benefits	15,882	17,100

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
2020-21 Financial Statements**

4. Expenses

Employee benefits expenses are disclosed in note 3.3.

4.1 Supplies and services

	2021 \$'000	2020 \$'000
Accommodation and services	4,779	5,172
Circuit and travel expenses	1,116	953
Computing and communications	8,727	6,389
Consultancy, contractors and temp staff	1,820	1,418
Legal cost	73	78
Court expenses	2,162	1,731
Short term leases	64	111
Staff development and training	397	369
Minor works, maintenance and equipment	4,471	3,942
Coronial charges	629	551
Jurors' expenses	1,639	1,135
Sheriff's Officer payments	1,006	576
Library expenses	1,421	1,365
Office expenses	593	681
Other administration expenses	1,798	2,315
Total supplies and services	30,695	26,786

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:

	2021		2020	
	No	\$'000	No	\$'000
Below \$10,000	-	-	-	-
\$10,000 or above	5	348	3	107
Total	5	348	3	107

**Courts Administration Authority
2020-21 Financial Statements**

4.2 Depreciation and amortisation

	2021 \$'000	2020 \$'000
Buildings and improvements	7,410	4,795
Right-of-use buildings	1,671	1,610
Computing and plant & equipment	869	615
Library collection	206	197
Intangible assets	448	97
Right-of-use vehicles	83	89
Total depreciation and amortisation	10,687	7,403

All non-current assets not held for sale, with a limited useful life are systematically depreciated/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 and plant and equipment	3-25
Library collection	25
Intangibles	4-20
Right of use assets buildings	25
Right of use assets 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

	2021 \$'000	2020 \$'000
Interest expense on lease liabilities	473	589
Total borrowing costs	473	589

The Authority does not capitalise borrowing costs.

**Courts Administration Authority
2020-21 Financial Statements**

4.4 Net loss from disposal of property, plant and equipment

	2021	2020
	\$'000	\$'000
Plant and Equipment		
Carrying amount of assets disposed	41	8
Total net loss from disposal of property, plant and equipment	41	8

4.5 Other expenses

	2021	2020
	\$'000	\$'000
Loss of public money	-	50
Audit fees	198	230
Late payment interest	3	-
Bad/Doubtful debts	4	-
Unrealised exchange loss from foreign currency deposit	85	-
Total other expenses	290	280

Audit fees

Audit fees paid / payable to the Auditor-General's Department relating to work performed under the *Public Sector Finance & Audit Act 1987* were \$166,900 (\$148,000). No other services were provided by the Auditor-General's Department. The audit fees of \$198,000 includes other audit fees paid for internal audit.

**Courts Administration Authority
2020-21 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.

	2021 \$'000	2020 \$'000
<u>Land and buildings</u>		
Land at fair value	96,998	96,998
Buildings at fair value	211,994	209,385
Accumulated depreciation at the end of the period	(7,410)	-
Total land and buildings	301,582	306,383
<u>Capital work in progress</u>		
Building capital work in progress	-	526
Total capital work in progress	-	526
<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	26,478	25,843
Accumulated depreciation at the end of the period - ROU buildings	(3,281)	(1,610)
Total right-of-use plant and equipment	23,197	24,233
<u>Right-of-use vehicles</u>		
Right-of-use vehicles at cost	190	194
Accumulated depreciation at the end of the period - ROU vehicles	(122)	(78)
Total right-of-use plant and equipment	68	116
<u>Computing and plant & equipment</u>		
Computing and plant & equipment (deemed fair value)	12,660	9,948
Accumulated depreciation at the end of the period	(4,466)	(5,323)
Total plant and equipment	8,194	4,625
<u>Library collection</u>		
Library collection at cost	5,144	4,932
Accumulated depreciation at the end of the period	(591)	(384)
Total library collection	4,553	4,548
<u>Works of art and collections</u>		
Works of art and collections at fair value	125	108
Total works of art and collections	125	108
Total property, plant and equipment	337,719	340,539

**Courts Administration Authority
2020-21 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 has not been assessed for impairment as they are 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
2020-21 Financial Statements**

Reconciliation 2020-21

	<i>Land</i>	<i>Buildings & improvements</i>	<i>Computing and plant & equipment</i>	<i>Library collections</i>	<i>Works of art & collections</i>	<i>Capital work in progress</i>	<i>Total</i>
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	96,998	209,385	4,625	4,548	108	526	316,190
Additions	-	1,815	4,442	211	17	268	6,753
Disposals	-	-	(41)	-	-	-	(41)
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

Reconciliation 2019-20

	<i>Land</i>	<i>Buildings & improvements</i>	<i>Computing and plant & equipment</i>	<i>Library collections</i>	<i>Works of art & collections</i>	<i>Capital work in progress</i>	<i>Total</i>
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	82,064	129,392	2,986	4,495	113	12,161	231,211
Additions	-	20,883	1,680	250	-	525	23,338
Disposals	-	-	(3)	-	(5)	-	(8)
Revaluation increment	14,934	52,173	-	-	-	-	67,107
Transfers between asset classes	-	11,731	429	-	-	(12,160)	-
Depreciation & amortisation	-	(4,794)	(615)	(197)	-	-	(5,606)
Donated assets	-	-	148	-	-	-	148
Carrying amount at the end of the period	96,998	209,385	4,625	4,548	108	526	316,190

**Courts Administration Authority
2020-21 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. Additions to leased property, plant and equipment during 2020-21 were \$35,000.

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

	2021 \$'000	2020 \$'000
Other computer software and licences	9,254	9,254
Accumulated amortisation	(1,016)	(568)
Total other computer software and licences	8,238	8,686
Intangible work in progress	2,984	-
Total intangible work in progress	2,984	-
Total intangible assets	11,222	8,686

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 internally developed computer software 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 20 years.

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

**Courts Administration Authority
2020-21 Financial Statements**

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
Additions	-	2,984	2,984
Depreciation & amortisation	(448)	-	(448)
Carrying amount at the end of the period	8,238	2,984	11,222

Reconciliation 2019-20

	<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	61	3,780	3,841
Additions	-	5,038	5,038
Transfer	8,722	(8,722)	-
Depreciation & amortisation	(97)	-	(97)
Other movements	-	(96)	(96)
Carrying amount at the end of the period	8,686	-	8,686

5.5 Non-current assets classified as held for sale

	2021 \$'000	2020 \$'000
Land	1,610	1,610
Building and improvement	796	796
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 over time 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 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 is less than the fair value less costs to sell.

**Courts Administration Authority
2020-21 Financial Statements**

6 Financial assets

6.1 Cash and cash equivalents

	2021 \$'000	2020 \$'000
<u>Deposits with the Treasurer (Special deposit accounts)</u>		
Deposits with the Treasurer	34,376	29,244
Accrual Appropriation Excess Funds	9,477	1,004
Total deposits with the Treasurer (Special deposits accounts)	43,853	30,248
Foreign currency deposit account held at SAFA	906	-
Cash on hand	8	11
Total cash and cash equivalents	44,767	30,259

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 payment of licences cost for the Electronic Court Management System.

6.2 Receivables

	2021 \$'000	2020 \$'000
<u>Current</u>		
Trade receivables		
From government entities	62	13
From non-government entities	66	126
Allowance for impairment loss	(2)	(1)
Total trade receivables	126	138
Statutory receivables		
PAYG prepayments	83	-
GST input tax recoverable	777	619
Total statutory receivables	860	619
Prepayments	1,082	1,052
Accrued revenue	226	92
Total current receivables	2,294	1,901

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.

Other than as recognised in the allowance for impairment loss on receivables, 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
2020-21 Financial Statements**

Refer to note 10.3 for further information on risk management.

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

	2021	2020
	\$'000	\$'000
Carrying amount at the beginning of the period	1	-
Amounts written off	-	1
Amounts recovered during the year	(1)	-
Increase/(decrease) in allowance recognised in profit and loss	2	-
Carrying amount at the end of the period	2	1

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, 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
2020-21 Financial Statements**

7 Liabilities

Employee benefits liabilities are disclosed in note 3.4.

7.1 Payables

	2021 \$'000	2020 \$'000
Current:		
Trade payables		
Creditors	1	-
Accrued expenses	4,418	2,822
Accrued capital expenditure	307	1,450
Total Trade payables	4,726	4,272
Statutory payables		
FBT payable	14	19
PAYG payable	1	1
PR Tax payable	214	228
Employment on-costs	961	921
Paid Parental Leave Scheme payable	14	-
Audit fee	184	162
Total statutory payables	1,388	1,331
Total current payables	6,114	5,603
Non-Current:		
Statutory payables		
Employment on-costs	920	1,003
Total non-current payables	920	1,003
Total Payables	7,034	6,606

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

Statutory payables do not arise from contracts.

Employment on-costs

Employment on-costs include payroll tax, Return to Work SA 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 the same rate of 42% and the average factor for the calculation of employer superannuation on-costs increased from the 2020 rate of 9.8% to 10.1% in 2021. 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 \$14,145.

**Courts Administration Authority
2020-21 Financial Statements**

7.2 Financial liabilities

	Note	2021 \$'000	2020 \$'000
Current			
Leases liabilities	5.3	1,527	1,456
Total current financial liabilities		1,527	1,456
Non-current			
Lease Liabilities	5.3	22,366	23,280
Total non-current financial liabilities		22,366	23,280
Total financial liabilities		23,893	24,736

The Authority measures financial liabilities at amortised cost.

7.3 Provisions

	2021 \$'000	2020 \$'000
Current		
Provision workers compensation	787	556
Total current provisions	787	556
Non-current		
Provision worker compensations	4,358	801
Total non-current provisions	4,358	801
Total provisions	5,145	1,357

Movement in provisions

	2021 \$'000
Carrying amount at the beginning of the period	1,357
Additional provisions recognised	1,002
Reductions arising from payments/other sacrifice of future economic benefits	(745)
Increase resulting from re-measurement or settlement without cost	3,531
Carrying amount at the end of the period	5,145

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 2021 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

	2021 \$'000	2020 \$'000
Current		
Unearned revenue	390	164
Unclaimed money	113	110
Total other liabilities	503	274

**Courts Administration Authority
2020-21 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 \$1.24 million (2020: \$2.61 million).

Reconciliation of net result to cash flows from operating activities

	2021	2020
	\$'000	\$'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	44,767	30,259
Balance as per the Statement of Cash Flows	44,767	30,259
<u>Reconciliation of net cash provided by operating activities to net cost of providing services:</u>		
Net cash provided by/(used in) operating activities	26,786	35,903
<u>Add/Less non cash items</u>		
Depreciation and amortisation expense of non-current assets	(10,687)	(7,403)
Net loss from disposal of property, plant and equipment	(41)	(8)
Assets transfer	37	148
<u>Movements in Assets/Liabilities</u>		
Increase/(Decrease) in receivables	508	(4,332)
(Increase) in payables	(1,571)	(338)
Decrease in employee benefits liability	1,218	190
(Increase) in provisions	(3,788)	(216)
(Increase)/Decrease in other liabilities	(229)	201
Net result	12,233	24,145

**Courts Administration Authority
2020-21 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

	2021	2020
	\$'000	\$'000
Within one year	1,618	960
Total capital commitments	1,618	960

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

Expenditure commitments

	2021	2020
	\$'000	\$'000
Within one year	2,530	1,849
Later than one year but not longer than five years	1,718	958
Total expenditure commitments	4,248	2,807

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 Leases* (\$16,000 was omitted in prior year has been restated in the comparative)

Operating lease commitments as lessor

	2021	2020
	\$'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	235	280
Later than one year but not longer than five years	116	466
Total operating lease commitments as lessor	351	746

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.

**Courts Administration Authority
2020-21 Financial Statements**

9.3 COVID-19 pandemic outlook for the Authority

The COVID-19 pandemic will have minimal impact on the operations of the Authority in 2021-22. 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 2021 (1.25%) from 2020 (0.75%).

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 \$1.25 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.

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).

**Courts Administration Authority
2020-21 Financial Statements**

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 2021 and 2020, 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
2020-21 Financial Statements**

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

	Note	Level 2 \$'000	Level 3 \$'000	Total \$'000
<u>Recurring fair value measurements</u>				
Land	5.1	96,998	-	96,998
Buildings	5.1	991	203,593	204,584
Computing and 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
<u>Non-recurring fair value measurements</u>				
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

Fair value classification – non-financial assets at 30 June 2020

Recurring fair value measurements 2020

	Note	Level 2 \$'000	Level 3 \$'000	Total \$'000
<u>Recurring fair value measurements</u>				
Land	5.1	96,998	-	96,998
Buildings	5.1	1,091	208,294	209,385
Computing/Plant & equipment	5.1	-	4,625	4,625
Library Collections	5.1	-	4,548	4,548
Works of art and collections	5.1	-	108	108
Total recurring fair value measurements		98,089	217,575	315,664
<u>Non-recurring fair value measurements</u>				
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		99,699	218,371	318,070

Land and buildings

Fair value of land has been determined using the market approach. A valuation was undertaken in 2019-20 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 be 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
2020-21 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 was 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 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
<u>Gains/(Losses) for the period recognised in net result:</u>	211,699	9,063	4,759	125	225,646
Depreciation	(7,310)	(869)	(206)	-	(8,385)
<u>Total gains/(losses) recognised in net result:</u>	204,389	8,194	4,553	125	217,261
Carrying amount at the end of the period	204,389	8,194	4,553	125	217,261

**Courts Administration Authority
2020-21 Financial Statements**

Reconciliation of level 3 recurring fair value measurements as at 30 June 2020

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	128,295	2,986	4,495	113	135,889
Acquisitions	20,883	1,680	250	-	22,813
Capitalised subsequent expenditure	11,731	429	-	-	12,160
Transfer into level 3 *	1,680	-	-	-	1,680
Disposal	-	(3)	-	(5)	(8)
Donated assets	-	148	-	-	148
<u>Gains/(Losses) for the period recognised in net result:</u>	162,589	5,240	4,745	108	172,682
Depreciation	(4,692)	(615)	(197)	-	(5,504)
Revaluation increment	51,193	-	-	-	51,193
<u>Total gains/(losses) recognised in net result:</u>	209,090	4,625	4,548	108	218,371
Carrying amount at the end of the period	209,090	4,625	4,548	108	218,371

In 2020, one building was transferred from level 2 (market value basis) to level 3 (existing use basis) due to the redevelopment of the building.

10.3 Financial Instruments

Financial risk management

Risk management is managed by the Authority's Corporate Services Division. Authority 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.

**Courts Administration Authority
2020-21 Financial Statements**

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 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.

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)	29	2.2	1
1 – 30 days past due	4	4.0	0
31 – 60 days past due	4	5.6	0
61 – 90 days past due	5	N/A	0
More than 90 days past due	126	N/A	105
Loss allowance	168		106

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.

Receivables with a contractual amount of \$19,000 written off during the year are still subject to enforcement activity.

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.

Impairment losses on the Authority's receivables arising from the Authority's contracts with

Courts Administration Authority
2020-21 Financial Statements

customers were as follows. No impairment losses were recognised in relation to contract assets and accrued revenue during the year.

Market Risk

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

The Authority established a SAFA foreign exchange facility and entered into a foreign exchange contract for \$0.64 million at 30 June 2021. This relates to electronic court management system milestone payment and estimated licensing cost.

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.

Categorisation of financial instruments

Details of the significant accounting policies and methods adopted including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised with respect to each class of financial asset and financial liability are disclosed in the respective financial asset / financial liability note.

Classification of financial instruments

The Authority measures all financial instruments at amortised cost.

**Courts Administration Authority
2020-21 Financial Statements**

Maturity analysis of financial instruments

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)
Financial assets					
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	292	n/a	n/a	n/a
Total financial assets		45,059	-	-	-
Financial liabilities					
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

Category of financial asset and financial liability	Note	2020	2020 contractual maturities *		
		Carrying amount / Fair value (\$'000)	Within 1 year (\$'000)	1-5 years (\$'000)	5+ years (\$'000)
Financial assets					
Cash and cash equivalents					
Cash and cash equivalents	6.1	30,259	n/a	n/a	n/a
Financial assets at amortised cost					
Receivables **	6.2	218	n/a	n/a	n/a
Total financial assets		30,477	-	-	-
Financial liabilities					
Financial liabilities at amortised cost					
Payables**	7.1	4,272	-	-	-
Lease liabilities	7.2	24,736	1,456	5,907	17,373
Total financial liabilities		29,008	1,456	5,907	17,373

*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.

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; 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
2020-21 Financial Statements**

Statement of Administered Comprehensive Income

for the Year ended 30 June 2021

	Note	2021 \$'000	2020 \$'000
Administered Income			
Revenues from SA Government		44,540	42,804
Court fees		18,221	20,573
Transcript fees		1,513	1,041
Fines Enforcement Recovery Unit Income		7	9
(Loss)/Gain from disposal of right-of-use vehicles		(1)	3
Other revenues		600	411
Total Administered Income		64,880	64,841
Administered Expenses			
Judicial benefits expenses	A4	43,889	42,113
Leases expenses		180	171
Payments to Fines Enforcement Recovery Unit		7	9
Payments to Consolidated Account		19,686	21,451
Depreciation and amortisation		462	509
Interest cost on lease liabilities		8	14
Other expenses		648	574
Total Administered Expenses		64,880	64,841
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
2020-21 Financial Statements**

Statement of Administered Financial Position

as at 30 June 2021

	Note	2021 \$'000	2020 \$'000
Administered Current Assets			
Cash and cash equivalents	A7	58,684	90,782
Receivables	A8	5,993	4,948
Total current assets		64,677	95,730
Administered Non-Current Assets			
Property, plant and equipment	A6	491	696
Total non-current assets		491	696
Total Assets		65,168	96,426
Administered Current Liabilities			
Payables	A9	3,870	3,176
Lease liabilities	A10	302	417
Judicial benefits liability	A5	4,846	5,063
Other liabilities	A11	52,398	84,189
Total current liabilities		61,416	92,845
Administered Non-Current Liabilities			
Payables	A9	1,505	1,443
Lease liabilities	A10	193	283
Judicial benefits liability	A5	10,022	9,823
Total non-current liabilities		11,720	11,549
Total liabilities		73,136	104,394
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

Courts Administration Authority
2020-21 Financial Statements

Statement of Administered Cash Flows

For the year ended 30 June 2021

	Note	2021	2020
<u>Cash flows from Administered activities</u>		\$'000	\$'000
<u>Cash inflows</u>			
Receipts from SA Government		43,450	43,513
Receipts into trust accounts		49,575	89,003
Court fees		18,343	20,620
Transcript fees		1,512	1,040
Fines Enforcement Recovery Unit receipts		7	9
GST recovered from the ATO		48	64
Other receipts		632	445
Total cash generated from administered activities		113,567	154,694
<u>Cash outflows</u>			
Judicial benefits		(43,888)	(43,237)
Payments to consolidated account		(19,092)	(21,772)
Payments from trust accounts		(81,386)	(43,393)
Payments to Fines Enforcement Recovery Unit		(7)	(12)
Interest on borrowing		(8)	(14)
Other payments		(821)	(634)
Total cash (used in) administered activities		(145,202)	(109,062)
Net operating cash (used in)/provided by Administered activities	A12	(31,635)	45,632
<u>Cash flows from financing activities</u>			
<u>Cash outflows</u>			
Repayment of leases		(463)	(501)
Net cash (used in) financing activities		(463)	(501)
Net increase in cash and cash equivalents		(32,098)	45,131
Cash and cash equivalents at the beginning of the financial year		90,782	45,651
Cash and cash equivalents at the end of the financial year	A7	58,684	90,782

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

**Courts Administration Authority
2020-21 Financial Statements**

Notes to Administered Items

CONTENTS

Note A1	Basis of preparation and accounting policies	45
Note A2	Objectives/activities of the Authority's administered items.....	45
Note A3	Administered Budget Performance	46
Note A4	Judicial Benefits Expenses	47
Note A5	Judicial Benefits Liability	48
Note A6	Administered Property, plant and equipment	49
Note A7	Administered cash and cash equivalents	50
Note A8	Administered receivables.....	51
Note A9	Administered payables	52
Note A10	Administered leases liability.....	53
Note A11	Administered other liabilities.....	53
Note A12	Administered cash flow reconciliation.....	54

**Courts Administration Authority
2020-21 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 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/transcript. 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
2020-21 Financial Statements**

Note A3 Administered Budget Performance

The budget performance table compares the authority's outcomes against the administered budget information presented to Parliament (2020-21 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 2021 \$'000	Actual 2021 \$'000	Variance \$'000
Statement of Administered Comprehensive Income				
Administered Income				
Revenues from SA Government		45,325	44,540	(785)
Court fees		21,512	18,221	(3,291)
Transcript fees		1,443	1,513	70
Fines Enforcement Recovery Unit Income		-	7	7
(Loss)/Gain from disposal of right-of-use vehicles		-	(1)	(1)
Other Revenues		1,110	600	(510)
Total Administered Income		69,390	64,880	(4,510)
Administered Expenses				
Judicial benefits expenses	A4	44,790	43,889	(901)
Leases expenses		-	180	180
Payments to Fines Enforcement Recovery Unit		-	7	7
Payments to Consolidated Account		22,955	19,686	(3,269)
Depreciation and amortisation		521	462	(59)
Interest cost on lease liabilities		16	8	(8)
Other expenses		1,110	648	(462)
Total Administered Expenses		69,392	64,880	(4,512)
Net and total comprehensive result		(2)	-	2

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

**Courts Administration Authority
2020-21 Financial Statements**

Note A4 Judicial Benefits Expenses

	2021 \$'000	2020 \$'000
Salaries and wages	30,319	29,077
Long service leave	1,121	913
Annual leave	2,424	2,514
Employment on-costs - superannuation*	6,733	6,367
Employment on-costs - payroll tax	2,110	2,016
Other judicial related expenses	1,182	1,226
Total Judicial benefits expenses	43,889	42,113

*** 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.

	2021	2020		2021	2020
The number of judicial officers whose remuneration received or receivable falls within the following bands:					
\$154,001 to \$174,000	1	-	\$434,001 to \$454,000	2	3
\$194,001 to \$214,000	-	1	\$454,001 to \$474,000	-	1
\$234,001 to \$254,000	2	4	\$474,001 to \$494,000	1	1
\$254,001 to \$274,000	-	2	\$534,001 to \$554,000	-	14
\$274,001 to \$294,000	-	1	\$554,001 to \$574,000	21	7
\$314,001 to \$334,000	5	2	\$574,001 to \$594,000	2	2
\$334,001 to \$354,000	-	1	\$614,001 to \$634,000	6	9
\$354,001 to \$374,000	4	5	\$634,001 to \$654,000	6	1
\$374,001 to \$394,000	11	18	\$654,001 to \$674,000	-	1
\$394,001 to \$414,000	15	14	\$694,001 to \$714,000	1	1
\$414,001 to \$434,000	10	2			
Total number of judicial officers	87			90	

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 \$40.9 million (\$40.8 million).

**Courts Administration Authority
2020-21 Financial Statements**

Note A5 Judicial Benefits Liability

	2021 \$'000	2020 \$'000
Current:		
Accrued salaries and wages	625	826
Annual leave	2,575	2,408
Long service leave	1,646	1,829
Total current judicial benefits liability	4,846	5,063
Non-Current:		
Long service leave	10,022	9,823
Total non-current judicial benefits liability	10,022	9,823
Total judicial benefits liability	14,868	14,886

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 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 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 1.25% (2020: 0.75%).

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 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
2020-21 Financial Statements**

Note A6 Administered Property, plant and equipment

	2021	2020
	\$'000	\$'000
Property, plant and equipment comprises of right-of-use vehicles leased with Fleet SA		
Right-of-use vehicles at cost	1,137	1,094
Accumulated depreciation at the end of the period	(646)	(398)
Total right-of-use vehicles	491	696
Total Property, plant and equipment	491	696

Administered property, plant and equipment are motor vehicles leased and recorded by the Authority at cost. Additions to leased motor vehicles during 2020-21 were \$293,000.

65 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.

Impairment

Administered property, plant and equipment leased has been assessed for impairment. There was no indication of impairment. No impairment loss or reversal of impairment loss was recognized.

**Courts Administration Authority
2020-21 Financial Statements**

Note A7 Administered cash and cash equivalents

	2021	2020
	\$'000	\$'000
Deposits with the Treasurer	58,128	90,273
Deposit at bank	556	509
Total Administered cash and cash equivalents	58,684	90,782

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.

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 \$49.4 million (\$81.2 million). Refer to note A11.

**Courts Administration Authority
2020-21 Financial Statements**

Note A8 Administered receivables

	2021	2020
	\$'000	\$'000
Current		
<u>Trade Receivables</u>		
Debtors		
From government entities	60	127
From non-government entities	274	369
Less: impairment loss on receivables	(113)	(117)
Total Trade Receivables	221	379
<u>Statutory receivables</u>		
Prepayments	112	11
GST input tax recoverable	-	5
Accrued revenue	5,660	4,553
Total statutory receivables	5,772	4,569

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 revenues are mainly statutory revenue from SA Government which do not have credit risk. Receivables and accrued revenues are non-interest-bearing.

Allowance for impairment of receivables

Carrying amount at the beginning of the period	117	218
Amounts written off	(19)	(167)
Amount recovered during the year	(1)	-
Increase in allowance recognised in profit and loss	16	66
Carrying amount at the end of the period	113	117

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
2020-21 Financial Statements**

Note A9 Administered payables

	2021	2020
	\$'000	\$'000
Current:		
Trade payables	1	-
Accrued expenses	8	11
<u>Statutory payables</u>		
Creditor	168	155
FBT payable	184	205
GST payable	-	-
Judicial benefits on-costs	1,228	1,119
Accrued expense	2,281	1,686
Total current administered payables	3,870	3,176
Non-Current:		
<u>Statutory payables</u>		
Judicial benefits on-costs	1,505	1,443
Total non-current administered payables	1,505	1,443
Total Administered payables	5,375	4,619

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 2021 and the average factor for the calculation of employer superannuation on-cost increased from 9.8% in 2020 to 10.1% in 2021. 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 \$6,000. The impact on future years is impractical to estimate. Refer to note A5 Judicial Benefits liability.

**Courts Administration Authority
2020-21 Financial Statements**

Note A10 Administered leases liability

	2021	2020
	\$'000	\$'000
Leases liability		
Current lease liability	302	417
Non Current lease liability	193	283
Total lease liability	495	700
Within one year	302	417
Later than one year but not longer than five years	193	283
Total lease liability	495	700

Note A11 Administered other liabilities

	2021	2020
	\$'000	\$'000
Current		
Trust accounts	49,443	81,209
Unclaimed money	2,955	2,980
Total Administered other liabilities	52,398	84,189

**Courts Administration Authority
2020-21 Financial Statements**

Note A12 Administered cash flow reconciliation

	2021	2020
	\$'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	58,684	90,782
Balance as per the Statement of Administered Cash Flows	58,684	90,782
Reconciliation of net operating cash provided by Administered activities to total comprehensive result:		
Net cash (used in) provided by operating activities	(31,635)	45,632
Less: non cash items		
Impairment of receivables	(48)	(145)
Trust balances derecognised	-	(18)
Depreciation and amortisation	(462)	(509)
(Loss)/Gain from disposal of right-of-use vehicles	(1)	3
Movements in Administered Assets / Liabilities		
Increase/(Decrease) in Receivables	1,093	(809)
Decrease in Judicial Benefits Liability	18	1,105
(Increase)/Decrease in Payables	(756)	340
Decrease/(Increase) in Other liabilities	31,791	(45,599)
Total comprehensive result from Administered Activities	-	-

Total cash outflow for leases was \$720,000 (2020: \$807,000)