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## To the Chief Executive Nuclear Fuel Cycle Royal Commission Consultation and Response Agency

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987*, I have audited the financial report of the Nuclear Fuel Cycle Royal Commission Consultation and Response Agency for the financial year ended 30 June 2017.

### Opinion

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Nuclear Fuel Cycle Royal Commission Consultation and Response Agency as at 30 June 2017, its financial performance and its cash flows for the year then ended in accordance with the Treasurer's Instructions promulgated 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 2017
- a Statement of Financial Position as at 30 June 2017
- a Statement of Changes in Equity for the year ended 30 June 2017
- a Statement of Cash Flows for the year ended 30 June 2017
- notes, comprising significant accounting policies and other explanatory information
- a Certificate from the Chief Executive and the Chief Finance Officer, Department of the Premier and Cabinet.

### Emphasis of matter

I draw attention to note 1 of the financial report which refers to the abolition of the Nuclear Fuel Cycle Royal Commission Consultation and Response Agency on 30 June 2017 as proclaimed in the Public Sector (Abolition of Nuclear Fuel Cycle Royal Commission Consultation and Response Agency) Proclamation 2017. The financial report is not prepared on a going concern basis. My opinion is not modified in respect of this matter.

## **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 Nuclear Fuel Cycle Royal Commission Consultation and Response Agency. 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 have been met.

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

## **Responsibilities of the Chief Executive for the financial report**

The Chief Executive is responsible for the preparation of the financial report that gives a true and fair view in accordance with the Treasurer's Instructions promulgated 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.

## **Auditor's responsibilities for the audit of the financial report**

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

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive
- conclude on the appropriateness of the basis of accounting used by the entity
- 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 Chief Executive regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identified during the audit.



Andrew Richardson

**Auditor-General**

16 November 2017

# **Nuclear Fuel Cycle Royal Commission Consultation and Response Agency**

## **Financial Statements**

For the year ended 30 June 2017

## Nuclear Fuel Cycle Royal Commission Consultation and Response Agency Certification of the financial statements

We certify that the attached general purpose financial statements for the Nuclear Fuel Cycle Royal Commission Consultation and Response Agency:

- comply with relevant Treasurer's Instructions issued under section 41 of the *Public Finance and Audit Act 1987*, and relevant Australian Accounting Standards;
- are in accordance with the accounts and records of the agency; and
- present a true and fair view of the financial position of the Nuclear Fuel Cycle Royal Commission Consultation and Response Agency as at 30 June 2017 and the results of its operations and cash flows for the financial year.

We certify that the internal controls employed by the Nuclear Fuel Cycle Royal Commission Consultation and Response Agency for the financial year over its financial reporting and its preparation of the general purpose financial statements have been effective throughout the reporting period.



Dr Don Russell  
Chief Executive Officer  
Department of the Premier and Cabinet  
13 November 2017



Steven Woolhouse FCPA  
Chief Finance Officer  
Department of the Premier and Cabinet  
13 November 2017

**Nuclear Fuel Cycle Royal Commission Consultation and Response Agency**  
**Statement of Comprehensive Income**  
*for the year ended 30 June 2017*

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	Note	2017 \$'000
<b>Expenses</b>		
Staff benefits	4	1 429
Supplies and services	5	<u>5 997</u>
<b>Total expenses</b>		<u><b>7 426</b></u>
<b>Income</b>		
Fees and charges	6	146
Other		<u>-</u>
<b>Total income</b>		<u><b>146</b></u>
<b>Net cost of providing services</b>		<u><b>7 280</b></u>
<b>Revenues from / payments to SA Government</b>		
Revenues from SA Government	7	8 200
Payments to SA Government	7	<u>(920)</u>
<b>Total revenues from SA Government</b>		<u><b>7 280</b></u>
<b>Net result</b>		<u><u><b>-</b></u></u>
<b>Total comprehensive result</b>		<u><u><b>-</b></u></u>

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

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

**Nuclear Fuel Cycle Royal Commission Consultation and Response Agency**  
**Statement of Financial Position**  
*as at 30 June 2017*

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	Note	2017 \$'000
<b>Current assets</b>		
Cash and cash equivalents		-
Receivables		-
<b>Total current assets</b>		<u>-</u>
<b>Non-current assets</b>		
Property, plant and equipment		-
<b>Total non-current assets</b>		<u>-</u>
<b>Total assets</b>		<u>-</u>
<b>Current liabilities</b>		
Payables		-
Staff benefits		-
Provisions		-
<b>Total current liabilities</b>		<u>-</u>
<b>Non-current liabilities</b>		
Payables		-
Staff benefits		-
Provisions		-
<b>Total non-current liabilities</b>		<u>-</u>
<b>Total liabilities</b>		<u>-</u>
<b>Net assets</b>		<u><u>-</u></u>
<b>Equity</b>		
Contributed capital		-
Asset revaluation surplus		-
Retained earnings		-
<b>Total equity</b>		<u><u>-</u></u>

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

**Nuclear Fuel Cycle Royal Commission Consultation and Response Agency**  
**Statement of Changes in Equity**  
*for the year ended 30 June 2017*

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	Retained Earnings \$'000	Total \$'000
Net result for 2016-17	-	-
Net increment on asset revaluation	-	-
<b>Total comprehensive result for 2016-17</b>	<b>-</b>	<b>-</b>
<b>Balance at 30 June 2017</b>	<b>-</b>	<b>-</b>

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

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



**Nuclear Fuel Cycle Royal Commission Consultation and Response Agency**  
**Statement of Cash Flows**  
*for the year ended 30 June 2017*

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	2017
	\$'000
<b>Cash flows from operating activities</b>	<b>Note</b>
<b>Cash outflows</b>	
Staff benefits	(1 429)
Supplies and services	(5 997)
<b>Cash used in operations</b>	<u>(7 426)</u>
<b>Cash inflows</b>	
Fees and charges	146
<b>Cash generated from operations</b>	<u>146</u>
<b>Cash flows from SA Government</b>	
Receipts from SA Government	8 200
Payments to SA Government	(920)
<b>Cash generated from SA government</b>	<u>7 280</u>
<b>Net cash provided by operating activities</b>	<u>-</u>
<b>Net increase in cash and cash equivalents</b>	-
Cash and cash equivalents at the beginning of the period	-
<b>Cash and cash equivalents at the end of the period</b>	<u><u>-</u></u>

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

# **Nuclear Fuel Cycle Royal Commission Consultation and Response Agency**

## **Notes to and forming part of the financial statements**

*for the year ended 30 June 2017*

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### **1 Objectives of the Nuclear Fuel Cycle Royal Commission Consultation and Response Agency**

Nuclear Fuel Cycle Royal Commission Consultation and Response Agency (The agency) is responsible for the delivery of the consultation process and the development of the Government's response to the Nuclear Fuel Cycle Royal Commission's final report.

#### **1.1 Administrative restructures**

*Public Sector (Nuclear Fuel Cycle Royal Commission Consultation and Response Agency) Proclamation 2016* dated 2 June 2016 proclaimed the establishment of the Nuclear Fuel Cycle Royal Commission Consultation and Response Agency an attached office of the Department of the Premier and Cabinet on 1 July 2016.

*Public Sector (Abolition of Nuclear Fuel Cycle Royal Commission Consultation and Response Agency) Proclamation 2017* dated 11 April 2017 proclaimed the abolishment of the Nuclear Fuel Cycle Royal Commission Consultation and Response Agency on 30 June 2017.

### **2 Significant accounting policies**

#### **2.1 Statement of compliance**

These financial statements have been prepared in compliance with section 23 of the *Public Finance and Audit Act 1987*.

The financial statements are general purpose financial statements. The accounts have been prepared in accordance with relevant Australian Accounting Standards (Reduced Disclosure Requirements) and comply with Treasurer's Instructions and Accounting Policy Statements promulgated under the provisions of the *Public Finance and Audit Act 1987*.

The agency has applied Australian Accounting Standards that are applicable to not-for-profit entities, as the agency is a not-for-profit entity.

The financial statements have not been prepared on a going concern basis as the agency has been abolished on 30 June 2017.

#### **2.2 Basis of preparation**

The preparation of the financial statements requires:

- the use of certain accounting estimates and requires management to exercise its judgement in the process of applying the agency's accounting policies. The areas involving a higher degree of judgement or where assumptions and estimates are significant to the financial statements, are outlined in the applicable notes; and
- accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events are reported.
- compliance with Accounting Policy Statements issued pursuant to section 41 of the *Public Finance and Audit Act 1987*. In the interest of public accountability and transparency the Accounting Policy Statements require the following note disclosures, which have been included in the financial statements:
  - a) employees whose normal remuneration is equal to or greater than the base executive remuneration level (within \$10 000 bandwidths) and the aggregate of the remuneration paid or payable or otherwise made available, directly or indirectly, by the entity to those employees.
  - b) board/committee and remuneration information, where a board/committee member is entitled to receive income from membership other than a direct out-of-pocket reimbursement.

The Statement of Cash Flows has been prepared on a cash basis.

The financial statements have been prepared based on a 12 month operating cycle and are presented in Australian currency.

# **Nuclear Fuel Cycle Royal Commission Consultation and Response Agency**

## **Notes to and forming part of the financial statements**

### *for the year ended 30 June 2017*

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The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2017.

#### **2.3 Reporting entity**

The agency does not control any other entity and has no interest in unconsolidated structured entities. The agency has not entered into contractual arrangements which involve the sharing of control or significant influence over another entity.

#### **2.4 Rounding**

All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars (\$'000).

#### **2.5 Income**

Income is recognised to the extent that it is probable that the flow of economic benefits to the board will occur and can be reliably measured.

Income has been aggregated according to its nature and has not been offset unless required or permitted by a specific accounting standard or where offsetting reflects the substance of the transaction or other event.

The following are specific recognition criteria:

##### *Fees and charges*

Revenues from fees and charges are derived from the provision of goods and services to other SA government agencies and to the public. This revenue is recognised upon delivery of the services to the clients or by reference to the stage of completion.

##### *Revenues from SA Government*

Program funding is recognised as revenue when the agency obtains control over the funding. Control over funding assistance is normally obtained upon receipt.

Where money has been provided in the form of an equity contribution, the Treasurer has acquired a financial interest in the net assets of the agency and the appropriation is recorded as contributed equity.

#### **2.6 Expenses**

Expenses are recognised to the extent that it is probable that the flow of economic benefits from the board will occur and can be reliably measured.

Expenses have been aggregated according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

The following are specific recognition criteria:

##### *Staff benefits expenses*

Staff benefits expenses include all costs related to employment including wages and salaries, non-monetary benefits and leave entitlements. These are recognised when incurred.

##### *Superannuation*

The amount charged to the Statement of Comprehensive Income represents the contributions made by the agency to the superannuation plan in respect of current services of current staff. The Department of Treasury and Finance centrally recognises the superannuation liability in the whole-of-government financial statements.

**Nuclear Fuel Cycle Royal Commission Consultation and Response Agency**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2017*

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**3 New and revised accounting standards and policies**

The agency did not voluntarily change any its accounting policies during the financial year.

**4 Staff benefits**

	<b>2017</b>
	<b>\$'000</b>
Salaries and wages	1 204
Long service leave	( 193)
Annual leave	19
Skills and experience retention leave	40
Employment on-costs - superannuation	117
Employment on-costs - other	64
Board and committee fees	173
Other employment related expenses	5
<b>Total employee benefits expenses</b>	<b>1 429</b>

**Targeted Voluntary Separation Packages**

There were no targeted voluntary separation packages paid in 2016-17.

**Remuneration of staff**

The number of employees whose remuneration received or receivable falls within the following bands:

	<b>2017</b>
	<b>Number</b>
\$167 001 - \$177 000	1
\$177 001 - \$187 000	1
\$187 001 - \$197 000	1
\$237 001 - \$247 000	1
<b>Total</b>	<b>4</b>

The table above includes staff who received remuneration equal to or greater than the base executive remuneration level. 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. The total remuneration received by these employees for the year was \$790,000.

**Nuclear Fuel Cycle Royal Commission Consultation and Response Agency**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2017*

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**5 Supplies and services**

	2017 \$'000
Accommodation	274
Telecommunication	34
Staff development and recruitment	3
General administration and consumables	874
Promotion and marketing	1 612
Repairs, maintenance and minor equipment purchases	6
IT and computing charges	178
Contractors	1 400
Temporary and casual staff	129
Other supplies and services	1 487
<b>Total supplies and services</b>	<b>5 997</b>

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, as it is representative of the pattern of benefits derived from the leased assets.

**6 Fees and charges**

	2017 \$'000
Recoveries	146
<b>Total fees and charges</b>	<b>146</b>

**7 Revenues from / payments to SA Government**

	2017 \$'000
<b>Revenues from SA Government</b>	
Appropriations from Consolidated Account pursuant to the <i>Appropriation Act</i>	8 200
<b>Total revenues from SA Government</b>	<b>8 200</b>
<b>Payments to SA Government</b>	
Return of surplus cash	(920)
<b>Total payments to SA Government</b>	<b>(920)</b>

Appropriations are recognised as revenues when the board obtains control over the funding. Control over appropriations is normally obtained upon receipt.

**Nuclear Fuel Cycle Royal Commission Consultation and Response Agency**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2017*

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**8 Cash flow reconciliation**

2017  
\$'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	-
Balance as per the Statement of Cash Flows	-

**Reconciliation of net cash provided by operating activities to net cost of providing services**

Net cash provided by operating activities	-
Add payments to SA Government	920
Less revenues from SA Government	(8,200)
<b>Net cost of providing services</b>	<b>(7 280)</b>

**9 Remuneration of board and committee members**

The agency administers the following board and committee where members receive or are entitled to receive remuneration for their membership.

Members during the year that were entitled to receive remuneration for membership during the 2016-17 financial year were:

**Nuclear Fuel Cycle Royal Commission Consultation and Response Advisory Board (expired 31/03/2017)**

- Mr J Mansfield (Chair)
- Mr P Agius
- Ms R Huntley (resigned 16 January 2017)
- Ms D Stehlik
- Ms D White

2017  
\$'000

**The number of members whose remuneration received or receivable falls within the following bands:**

\$20 000 - \$29 999	1
\$30 000 - \$39 999	3
\$60 000 - \$69 999	1
<b>Total number of members</b>	<b>5</b>

Remuneration of members reflects all costs of performing board/committee member duties including sitting fees, superannuation contributions, fringe benefits, fringe benefits tax and any other salary sacrifice arrangements. The total remuneration received or receivable by members was \$190,000.

**Nuclear Fuel Cycle Royal Commission Consultation and Response Agency**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2017*

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**10 Transferred function**

On transfer from the Department of the Premier and Cabinet effective 1 July 2016, the agency recognised the following assets and liabilities:

	<b>Nuclear Fuel Cycle</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current assets</b>		
Cash and cash equivalents	227	227
<b>Total assets</b>	<u>227</u>	<u>227</u>
<b>Current liabilities</b>		
Payables	11	11
Employee benefits	81	81
<b>Non-current liabilities</b>		
Payables	11	11
Employee benefits	124	124
<b>Total liabilities</b>	<u>227</u>	<u>227</u>
<b>Net assets transferred in</b>		

**11 Related Party Disclosure**

Related parties of the Nuclear Fuel Cycle Royal Commission Consultation and Response Agency include all key management personnel and their close family members.

**Key Management Personnel**

Key management personnel of the Nuclear Fuel Cycle Royal Commission Consultation and Response Agency are the Chief Executive Officer and other directors/ members of the Executive Team who have responsibility for the strategic direction and management of the Nuclear Fuel Cycle Royal Commission Consultation and Response Agency.

	<b>2017</b>
	<b>\$'000</b>
<b>Compensation</b>	
Salaries and other short term employee benefits	980
<b>Total compensation</b>	<u>980</u>