

Extract from *Hansard*

[LEGISLATIVE ASSEMBLY COMMITTEES A AND B SUPPLEMENTARY INFORMATION — Thursday,
22 October 2020]
p574c-574c
Mr Peter Katsambanis

DIVISION 32: CORRUPTION AND CRIME COMMISSION —

[Supplementary Information No A29.]

Question: Mr P.A. Katsambanis asked for an explanation of the accommodation costs associated with page 490 of the *Budget Statements*, and why in 2019–20 they were lower than the actual costs for 2019–20.

Answer: The information listed on pages 488 and 490 of the budget estimates in relation to the accommodation costs are correctly disclosed and the opening note to the financial statements in the Treasury budget papers made the following disclosure.

The 2019 20 Budget reflects the treatment of GOA inter agency leasing arrangements in accordance with AASB 16. Subsequent to the release of the 2019 20 Budget, it was determined that GOA inter agency leasing arrangements were outside the scope of AASB 16 and therefore not required to be reported in the Statement of Financial Position. GOA leasing arrangements are now expensed as incurred and reflected from the 2019 20 Actual onwards.

This meant as part of the 2019–20 budget construction that the government lease for the Commission was treated as an asset. This resulted in the Income Statement recording an increase in depreciation, finance and interest costs whereas accommodation costs were reduced. On the Cashflow Statement there was an increase in finance, interest and repayment of lease costs with a corresponding reduction in accommodation costs.

These were reversed in May 2020 when Treasury made the decision to remove government accommodation leases from the AASB 16 leasing standard. This resulted in a large difference between the 2019–20 budget and actual results and forward estimates. There has been no reduction in accommodation funding for the Commission in the forward estimates.
