



2009-10 BUDGET

BUDGET STATEMENTS

Budget Paper No. 2

Volume 2

**PRESENTED TO THE LEGISLATIVE ASSEMBLY
ON 14 MAY 2009**

2009-10 Budget Statements

(Budget Paper No. 2 Volume 2)

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BUDGET STATEMENTS

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CHAPTER 3

AGENCY INFORMATION IN SUPPORT OF THE ESTIMATES

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Part 6

Minister for Education; Tourism

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000
347	Education and Training			
	– Delivery of Services.....	3,051,617	3,074,857	3,321,791
	– Capital Appropriation	274,618	194,273	1,018,292
	Total	3,326,235	3,269,130	4,340,083
365	Education Services			
	– Delivery of Services.....	19,471	15,826	19,898
	– Administered Grants, Subsidies and Other Transfer Payments	281,075	281,330	312,486
	Total	300,546	297,156	332,384
376	Curriculum Council			
	– Delivery of Services.....	21,800	24,046	24,468
	– Capital Appropriation	725	725	68
	Total	22,525	24,771	24,536
384	Country High Schools Hostels Authority			
	– Delivery of Services.....	5,804	5,821	5,123
	– Capital Appropriation	1,932	1,722	6,704
	Total	7,736	7,543	11,827
393	Western Australian Tourism Commission			
	– Delivery of Services.....	55,065	54,611	57,320
	– Capital Appropriation	787	787	272
	Total	55,852	55,398	57,592
	GRAND TOTAL			
	– Delivery of Services.....	3,153,757	3,175,161	3,428,600
	– Administered Grants, Subsidies and Other Transfer Payments	281,075	281,330	312,486
	– Capital Appropriation	278,062	197,507	1,025,336
	Total.....	3,712,894	3,653,998	4,766,422

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EDUCATION AND TRAINING

PART 6 - MINISTER FOR EDUCATION; TOURISM

DIVISION 28

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 33 Net amount appropriated to deliver services	2,769,345	3,050,615	3,073,845	3,320,749	3,381,108	3,448,214	3,511,451
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	961	1,002	1,012	1,042	1,073	1,105	1,138
Total appropriations provided to deliver services	2,770,306	3,051,617	3,074,857	3,321,791	3,382,181	3,449,319	3,512,589
CAPITAL							
Item 126 Capital Appropriation.....	257,686	274,618	194,273	1,018,292	743,358	227,915	96,445
TOTAL APPROPRIATIONS	3,027,992	3,326,235	3,269,130	4,340,083	4,125,539	3,677,234	3,609,034
EXPENSES							
Adjusted Total Cost of Services	3,368,125	3,573,232	3,681,874	4,100,816	4,136,735	4,227,802	4,323,865
Net Cost of Services ^(a)	2,677,218	2,989,157	2,901,215	3,319,644	3,308,844	3,336,362	3,430,697
CASH ASSETS ^(b)	337,245	250,222	431,741	341,401	345,567	377,524	369,769

(a) Represents total cost of services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.

(b) As at 30 June each financial year.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2008-09 Budget to Parliament on 8 May 2008 are outlined below.

	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Election Commitments					
Better Behaviour in Public Schools.....	1,292	9,777	11,163	12,747	12,747
Media and Marketing, Advertising and Consultants Savings.....	(721)	(1,443)	(1,443)	(1,443)	(1,443)
Sports Leadership Program.....	25	25	25	25	-
Royalties for Regions Initiatives					
Boarding Away From Home Allowance.....	-	1,800	1,850	1,950	2,500

	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
3% Efficiency Dividend					
<i>Education Sector</i>					
Central Office Administration and Operations	(8,435)	(15,141)	(21,112)	(21,114)	(21,057)
Education and Training Support Programs	(8,584)	(53,016)	(43,812)	(36,769)	(39,210)
Learning and Training Allowance and Programs.....	(5,000)	(18,985)	(19,670)	(19,670)	(19,670)
State-wide Schooling Provision Reform	-	(3,500)	(8,750)	(18,750)	(21,750)
Student Community Services Program	-	(3,000)	(3,000)	(3,000)	(3,000)
<i>Total Savings</i>	<i>(22,019)</i>	<i>(93,642)</i>	<i>(96,344)</i>	<i>(99,303)</i>	<i>(104,687)</i>
<i>TAFE Sector</i>					
Administration and Operations.....	(2,825)	(5,555)	(5,543)	(5,565)	(6,595)
College-specific Reforms	(377)	(1,008)	(1,087)	(1,098)	(1,301)
Service Delivery Reforms.....	(810)	(1,555)	(1,553)	(1,569)	(1,860)
<i>Total Savings</i>	<i>(4,012)</i>	<i>(8,118)</i>	<i>(8,183)</i>	<i>(8,232)</i>	<i>(9,756)</i>
Economic Audit					
Economic Audit Stage 1 Outcome - Review of Transition Support for					
Secondary Students	-	(1,350)	(1,391)	(1,432)	(1,475)
Other					
Economic Stimulus Package - Training	-	20,155	21,436	5,791	-

RESOURCE AGREEMENT

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Minister for Education, Minister for Training, Accountable Authority and Treasurer under Part 3, Division 5 of the *Financial Management Act 2006*.

The Department assists the Minister for Education and the Minister for Training in the administration of various statutes and related service provision. The service structure of the Department and the Ministers responsible are identified in the following table:

Responsible Minister	Services
Minister for Education	1. Primary Education 2. Secondary Education
Minister for Training	3. Vocational Education and Training Services

OUTCOMES, SERVICES AND KEY PERFORMANCE INFORMATION

Relationship to Government Goals

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the agency's services and desired outcomes, and the government goal it contributes to. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Goal	Desired Outcomes	Services
Outcomes-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	Quality education for all Western Australians who choose public schooling.	1. Primary Education 2. Secondary Education
	A responsive vocational education and training sector which meets the needs of Western Australian students and employers.	3. Vocational Education and Training Services

Service Summary

Expense	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
1. Primary Education	1,715,216	1,826,654	1,874,880	2,132,039	2,212,338	2,272,324	2,341,584
2. Secondary Education	1,127,782	1,259,963	1,313,654	1,410,188	1,360,635	1,382,900	1,410,060
3. Vocational Education and Training Services	525,127	505,461	493,340	558,589	563,762	572,578	572,221
Total Cost of Services	3,368,125	3,592,078	3,681,874	4,100,816	4,136,735	4,227,802	4,323,865

Significant Issues Impacting the Agency

- High community expectations play a pivotal role in driving the ongoing development of initiatives to increase student achievement levels and improve both teacher quality and school leadership outcomes. There will be a particular focus on improving educational outcomes in low socio-economic school communities and for Indigenous students.
- In response to strong evidence identifying the importance of early childhood years in building a successful foundation for schooling and later life, the provision of Kindergarten hours will be increased from 11 to 15 hours per week under the Council of Australian Governments' (COAG) Universal Access initiative, commencing from the 2010 school year. This initiative will be supported with on-entry diagnostic testing in literacy and numeracy and specific resources to support Indigenous children.
- Recognising the valuable benefits to children's education from parental involvement and community engagement, a partnership strategy to improve student attendance will be developed, in conjunction with a positive parenting program being offered in targeted areas. Schools will also take on greater authority to make decisions reflecting their particular students and communities.
- To support initiatives aimed at closing the gap for Indigenous students, a new five-year whole-school plan will be implemented, focussing on early childhood, school attendance, achievement in literacy and numeracy, retention to Year 12 and transition to vocational education and employment opportunities.
- Significant changes to demographic and social structures are creating the need for greater emphasis on behaviour improvement, values education and pastoral care and citizenship. A whole-school approach to behaviour improvement and pastoral care will be part of the Better Behaviour in Public Schools initiative, along with a strengthened psychology service, chaplains and new behaviour centres.
- Initiatives to support the community expectation that young people will complete Year 12 or its equivalent are a continuing focus through the COAG Youth Compact and the national partnership on youth attainment and transitions.
- More flexible pathways between schools, Vocational Education and Training (VET), universities and employment to maximise learning opportunities for students will continue to be developed and implemented.
- In response to the economic downturn, strategies to encourage employers to continue to engage in training and the employment of apprentices and trainees are being implemented.

- Workforce management strategies continue to be developed and implemented to attract and retain employees, including Aboriginal and Torres Strait Islander employees, as well as strengthening support for school leaders.
- To support community expectations of staff conduct and probity, the Standards and Integrity Prevention and Education strategy to support and educate staff will be implemented. Other initiatives will focus on compliance with Working With Children legislation, and misconduct and complaints management.
- The Department will plan, develop and implement joint National Partnership Agreements and work towards the COAG performance indicators and targets.

Outcomes and Key Effectiveness Indicators ^(a)

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Outcome: Quality education for all Western Australians who choose public schooling:					
Participation rate (proportion of persons aged 15 to 17 years in some form of education).....	88.6%	91%	91%	91%	
Secondary graduation rate (proportion of Year 8 cohort achieving Secondary graduation in Year 12) ^(b)	53.4%	54%	53.7%	54%	
Apparent retention rate (proportion of Year 8 cohort studying in Year 12).....	60.9%	63%	65.6%	66%	
Literacy and numeracy performance in national tests at years 3, 5, 7 and 9 ^(c) :					
Year 3 students achieving national minimum standards:					
Reading	94.3%	94%	87.6%	88%	
Writing	84.5%	87%	94.2%	95%	
Numeracy	88.4%	88%	93.6%	94%	
Year 5 students achieving national minimum standards:					
Reading	92.6%	93%	87.2%	88%	
Writing	82.4%	82%	89.5%	90%	
Numeracy	84.7%	85%	89.6%	90%	
Year 7 students achieving national minimum standards:					
Reading	81.0%	83%	91.0%	91%	
Writing	82.8%	83%	88.2%	89%	
Numeracy	80.9%	81%	93.6%	94%	
Year 9 students achieving national minimum standards:					
Reading	87.8%	88%	88.4%	89%	
Writing	89.8%	90%	80.8%	81%	
Numeracy	87.8%	89%	89.0%	89%	
Outcome: A responsive vocational education and training sector, which meets the needs of Western Australian students and employers:					
Proportion of the Western Australian population aged 15 to 64 years enrolled in publicly- funded vocational education and training through the Department of Education and Training	8.4%	8%	8%	8%	
Successful training completions - Module Load Completion Rate (MLCR) (proportion of Student Curriculum Hours (SCH) successfully completed).....	76.5%	75%	76%	76%	
Employer satisfaction ^(d)	72.1%	-	-	-	
Student satisfaction	86.8%	87%	85.4%	87%	

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Graduate achieved or partly achieved main reason for undertaking the course ...	87.0%	88%	89.1%	89%	

- (a) Further detail in support of the key effectiveness indicators is provided in the agency's Annual Report.
- (b) The 2007-08 Actual is a revised figure from that previously reported in the 2007–2008 Annual Report (53.6%).
- (c) The Western Australian Literacy and Numeracy Assessment (WALNA) program was replaced by the National Assessment Program – Literacy and Numeracy (NAPLAN) in 2008. The NAPLAN data are reported against national minimum standards which have replaced the national benchmarks. The 2007-08 Actuals report WALNA data against national or State benchmarks and the 2008-09 Estimates report NAPLAN data against the national minimum standards. The NAPLAN results are not directly comparable to the WALNA results; therefore the 2008-09 Estimated Actuals are not directly comparable to the 2008-09 Budget. The Key Performance Indicators are being revised during 2009 in response to the introduction of the national test and the 2009-10 Budget Targets are constructed in terms of the new national minimum standards.
- (d) Measurement of employer satisfaction enables comparison of trends over time but is not measured every year and therefore does not provide for the construction of targets.

Services and Key Efficiency Indicators

1: Primary Education

This service provides access to education in public schools for persons aged generally from four years and six months to 12 years and six months.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 1,715,216	\$'000 1,826,654	\$'000 1,874,880	\$'000 2,132,039	
Less Income.....	313,882	237,387	388,391	403,255	
Net Cost of Service ^(a)	1,401,334	1,589,267	1,486,489	1,728,784	
Employees (Full Time Equivalents)	18,941	18,839	19,133	19,084	
Efficiency Indicators					
Cost per Student FTE.....	\$10,857	\$11,428	\$11,715	\$12,678	

- (a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

2: Secondary Education

This service provides access to education in public schools for persons aged generally from 12 years and six months.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 1,127,782	\$'000 1,259,963	\$'000 1,313,654	\$'000 1,410,188	
Less Income.....	208,578	220,582	239,051	220,680	
Net Cost of Service ^(a)	919,204	1,039,381	1,074,603	1,189,508	
Employees (Full Time Equivalents)	11,830	11,588	12,024	11,993	
Efficiency Indicators					
Cost per Student FTE.....	\$13,708	\$15,338	\$15,695	\$17,760	

- (a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

3: Vocational Education and Training Services (VET)

This service provides the strategic management of the investment of public resources in the State VET system, including the planning, funding and monitoring of VET services.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service ^(a)	525,127	505,461	493,340	558,589	
Less Income.....	168,447	144,952	153,217	157,237	
Net Cost of Service ^(a)	356,680	360,509	340,123	401,352	
Employees (Full Time Equivalents)	751	746	690	688	
Efficiency Indicators					
Average cost per Student Curriculum Hour (SCH) ^(a)	\$16.69	\$15.91	\$16.69	\$16.69	

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

(b) The average cost per SCH is calculated by dividing the total expenditure for VET delivered through the Department under the terms of the Skilling Australia's Workplace Agreement (SAW Scope), by the total SAW Scope SCH.

ASSET INVESTMENT PROGRAM

The Department's planned capital works expenditure in 2009-10 is a record \$1.1 billion and relates primarily to improving infrastructure for public schools and training throughout the State. This includes \$566 million for the Primary Schools in the 21st Century element of the Federal Government's Building the Education Revolution Program and \$100 million for Science and Language Centre's for 21st Century Secondary Schools.

The asset investment program includes the State Government's Election Commitments for \$300 million for Investing in Schools and \$50 million for the School Capital Improvements Program.

- New Primary Schools
 - Construction will continue on replacement schools at Bannister Creek, Craigie Heights, Roseworth, Greenwood, Lockridge and Safety Bay at a total cost of \$77.8 million.
 - Work has commenced on the \$12.2 million second stage of Mount Barker Community College scheduled for completion in 2010. In addition work will commence on replacement schools for Karratha, Wattle Grove and Deanmore at a total cost of \$54.5 million.
 - Funding has been provided to commence construction in 2009-10 of Aubin Grove (\$15 million); Baldvis Precinct 5 (Kindergarten to Year 2) (\$3.5 million); replacement of Lake Gwelup (\$13 million); Pinjarra Early Childhood Centre (\$2.5 million); Tapping (\$10 million); and Yakamia (\$16 million).
- Additions and Improvements to Primary Schools
 - Projects funded by the \$50 million School Capital Improvements Program include: Bunbury (\$2 million); Coolbinia (\$3 million); Mount Lawley (\$2 million); and Sutherland Dianella (\$5 million).
 - Work has commenced on Baldvis Primary School at an estimated total cost of \$3.5 million. Additions and improvements at Hudson Park Primary School will be completed in 2009 at an estimated total cost of \$5.1 million.
- New Secondary Schools
 - Construction will continue on Stage one of Ashdale College and Stage one of the redevelopment of Karratha Senior High School at a cost of \$3.2 million in 2009-10. Stage one of each school is scheduled for completion mid 2009 at an estimated total cost of \$65 million.
 - Planning continues for the \$63 million redevelopment of Governor Stirling Senior High School on its existing site. Construction is expected to commence in September 2010 and be completed by 2014.
 - Planning will commence for a new \$44 million Senior High School in Baldvis scheduled for completion in 2011 and the Election Commitment, included in Investing in Schools, for a \$30 million District High School in Dongara due for completion in 2012.
 - Planning will commence for a new \$53 million Butler Senior High School due for completion in 2013.

- Additional Stages to Secondary Schools
 - Documentation is complete for Stage Two of Comet Bay College and Ellenbrook Secondary College. These projects are now expected to be completed by early 2011 for an estimated total cost of \$50 million.
 - Work is also expected to begin on the planning and construction for the \$46 million Stage Two of Karratha Senior High School due to be completed in late 2011.
 - Planning will commence for Stage Two of Atwell College at an estimated total cost of \$31 million and Ashdale Secondary College at an estimated total cost of \$33 million with both projects anticipated to be completed by 2012.
 - Planning will also commence on a staged build of Applecross Senior High School at an estimated total cost of \$56 million.
- Additions and Improvements to Secondary Schools
 - Projects funded by the \$50 million School Capital Improvements Program include: Albany Senior High School (\$2 million); Rossmoyne Senior High School (\$1 million); Bunbury Senior High School (\$2 million); Darling Range Sports College (\$4 million); Eastern Hills Senior High School – Science Block (\$2 million); Geraldton Senior College (\$5 million); Woodvale Senior High School (\$3.3 million); and Kalamunda Senior High School (\$5 million).
 - Work will also commence for: Busselton SHS – Upgrade (\$3 million); Churchlands SHS – Music Auditorium Expansion (\$10 million); Rossmoyne SHS – Upgrade (\$13 million); Secondary Science Upgrades (\$18 million); and Design and Technology Upgrades (\$10 million).
- Additional Stages to District High Schools
 - Planning will commence for additional stages at Donnybrook District High School (\$5 million), Exmouth District High School (\$15 million) and Bullsbrook District High School (\$20 million). An amount of \$10 million is available for Design and Technology upgrades at District High Schools.
- Additions and Improvements to Agricultural Colleges
 - Planning will commence additions and improvements at Harvey Agricultural College (\$25 million) and for student and staff accommodation upgrades at agricultural colleges (\$18 million).
- Other School Facilities
 - Provision has been made in 2009-10 for administration upgrades (\$4.6 million), covered assembly areas (\$5.9 million), library resource centres (\$6.6 million) and toilet upgrades/replacement (\$3.4 million).
- Miscellaneous Programs
 - The 2009-10 program includes provision for commencing work on Concrete Cancer Remediation (\$4 million), Infrastructure Power Upgrades (\$5 million) and Roof Replacements (\$5 million) at priority schools. In addition, an allocation of \$22.4 million will be made to purchase and develop land for the construction of new schools.
 - The Department has responsibility under the COAG national partnership initiative for five Indigenous Family and Child Centres totalling \$18.5 million over four years.
- Trade Training Centres
 - Work has commenced on Round One, Phase One of the Trade Training Centres program funded by the Commonwealth. The participating schools are Broome Senior High School (\$1.5 million), Girrawheen Senior High School (\$3 million), John Forrest Senior High School (\$2.6 million), Merredin Senior High School (\$3.9 million), and Northam Senior High School (\$3.2 million).
 - Round One, Phase Two and Round Two funding has been confirmed with the Commonwealth and projects totalling \$77 million at secondary schools will commence in 2009-10.
- New Buildings and Additions at TAFE Colleges
 - Planned capital works expenditure for TAFE Colleges is \$60 million in 2009-10 and relates primarily to the provision of improved trade training infrastructure throughout the State.
 - \$19.8 million will be allocated in 2009-10 to continue the redevelopment of the Central TAFE Northbridge project. In addition, the third phase of the Central TAFE – E Central and Leederville Realignment will be undertaken in 2009-10 at an estimated cost of \$4 million.
 - Work will continue on the Clarkson Trade Training Centre at West Coast TAFE with estimated expenditure of \$10.4 million in 2009-10.
 - Development of the Rockingham Campus of Challenger TAFE to include a major centre for building and construction trades will commence in 2009-10 at an estimated cost of \$6.8 million.

- The Curtin Vocational Training and Education Centre (VTEC), Kalgoorlie project is scheduled for completion in 2009-10 with expenditure of \$3 million.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
WORKS IN PROGRESS							
New High Schools							
Ashdale College	33,500	32,183	18,705	1,317	-	-	-
Governor Stirling – Replacement	63,000	550	550	10,450	15,000	20,000	7,500
Additional Stages at High Schools							
Comet Bay College (Stage 2)	25,060	2,884	2,824	8,176	14,000	-	-
Ellenbrook Secondary College (Stage 2).....	25,100	2,260	2,160	8,840	14,000	-	-
Karratha - Redevelopment	31,500	29,602	10,310	1,898	-	-	-
Additions and Improvements to High Schools							
Belridge	1,100	887	287	213	-	-	-
Darling Range Sports College	4,000	56	56	1,144	2,800	-	-
Geraldton Senior College.....	5,000	70	70	1,130	3,800	-	-
Kalamunda	5,000	70	70	130	1,000	3,800	-
Karratha (Stage 2).....	46,000	18	18	15,982	15,000	15,000	-
Padbury	1,100	952	487	148	-	-	-
Rockingham	1,500	1,259	1,207	241	-	-	-
Wanneroo	6,000	4,355	3,736	1,645	-	-	-
Woodvale	3,250	33	33	1,217	2,000	-	-
New Primary Schools							
Ashby - Pre-Primary Transportable.....	1,500	137	137	1,363	-	-	-
Aubin Grove - Pre-Primary Transportable	1,500	137	137	1,363	-	-	-
Baldivis - Pre-Primary Transportable.....	1,500	137	137	1,363	-	-	-
Bannister Creek.....	12,500	8,982	8,412	3,518	-	-	-
Butler - Pre-Primary Transportable	1,500	137	137	1,363	-	-	-
Craigie Heights	12,500	6,887	6,042	5,613	-	-	-
Deanmore	14,250	578	578	9,422	4,250	-	-
Greenwood.....	13,000	1,994	965	11,006	-	-	-
Karratha - Replacement	26,000	1,000	1,000	15,000	10,000	-	-
Lockridge	13,000	5,345	4,791	7,655	-	-	-
Mt Barker - Replacement - Stage 2	12,196	2,496	2,400	1,800	7,900	-	-
Roseworth	14,000	2,525	1,692	11,475	-	-	-
Safety Bay.....	12,800	10,622	9,453	2,178	-	-	-
Wattle Grove.....	14,250	636	636	9,364	4,250	-	-
Yakamia	16,000	545	545	455	5,500	9,500	-
Additions and Improvements to Primary Schools							
Baldivis - Upgrade	3,500	400	400	3,100	-	-	-
Coolbinia.....	3,000	125	125	1,075	1,800	-	-
Hudson Park (Girrawheen).....	5,122	4,764	3,642	358	-	-	-
Mount Lawley.....	2,000	95	95	1,105	800	-	-
Trade Training Centres							
Broome SHS	1,500	100	100	1,200	200	-	-
Girrawheen SHS	2,980	143	143	2,407	430	-	-
John Forrest SHS	2,550	135	135	2,065	350	-	-
Merredin SHS	3,910	123	123	3,177	610	-	-
Northam SHS	3,200	127	127	2,673	400	-	-
Building the Education Revolution							
Infrastructure Program.....	1,092,698	9,750	9,750	666,202	416,746	-	-
Miscellaneous							
East Kimberley Clontarf Football Academy	500	452	452	48	-	-	-
Seatbelts in School Buses							
2007-08 – 2010-11 Program	20,853	11,959	10,100	6,627	2,267	-	-
Small Asset Capital Purchases.....	48,990	9,798	9,798	9,798	9,798	9,798	9,798
Training							
New Buildings and Additions at TAFE Colleges and Centres							
Central TAFE - Perth Campus - Redevelopment Stage 2/3	57,183	24,963	20,382	19,763	12,457	-	-
Central West TAFE - Geraldton - Batavia Coast Marine Centre.....	3,010	1,422	231	1,588	-	-	-
Central West TAFE - Wiluna Education and Vocational Training Centre.....	3,000	124	124	2,876	-	-	-
Curtin VTEC, Kalgoorlie - Metal, Electrical and Automotive	3,670	543	502	3,127	-	-	-
Pilbara TAFE - Karratha - Metals and Automotive Workshop Extension	2,400	97	28	2,303	-	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Swan TAFE - Balga Building and Construction							
Workshop	2,000	1,246	1,246	754	-	-	-
Swan TAFE - Jandakot Aviation	2,000	1,296	1,296	704	-	-	-
Swan TAFE - Midland - Metals and Advanced Trade							
CNC Workshop Extension	3,450	3,122	1,580	328	-	-	-
Swan TAFE - Thornlie, Midland and Balga - Trades							
Realignment	5,450	5,375	655	75	-	-	-
West Coast TAFE - Clarkson - Trades Training	19,000	1,995	1,844	10,440	6,565	-	-
COMPLETED WORKS							
New High Schools							
Atwell College	38,181	38,181	4,252	-	-	-	-
Cape Naturaliste College	20,541	20,541	296	-	-	-	-
Dalyellup College	26,300	26,300	4,400	-	-	-	-
Gilmore (Kwinana) College - Redevelopment	44,243	44,243	1,300	-	-	-	-
Manea Senior College	27,500	27,500	12,461	-	-	-	-
Additional Stages at High Schools							
Geraldton Secondary College and John Willcock College ...	18,001	18,001	7,555	-	-	-	-
Additions and Improvements to High Schools							
Bunbury	2,776	2,776	800	-	-	-	-
Newton Moore	12,900	12,900	3,596	-	-	-	-
Perth Modern School	28,074	28,074	14,773	-	-	-	-
Safety Bay	1,500	1,500	1,262	-	-	-	-
Additions and Improvements to District High Schools							
Fitzroy Crossing - Replacement	32,500	32,500	13,134	-	-	-	-
Secondary School Refurbishment Program							
Fitzroy Crossing	1,500	1,500	1,500	-	-	-	-
New Primary Schools							
Bletchley Park	9,211	9,211	350	-	-	-	-
Ellen Stirling	9,100	9,100	139	-	-	-	-
Hocking	10,100	10,100	146	-	-	-	-
Kingston	12,200	12,200	6,836	-	-	-	-
Madeley	11,800	11,800	7,627	-	-	-	-
Somery	12,300	12,300	9,376	-	-	-	-
South Halls Head	9,500	9,500	311	-	-	-	-
Success	22,000	22,000	14,910	-	-	-	-
Waikiki	8,999	8,999	465	-	-	-	-
Additions and Improvements to Primary Schools							
Woodvale	171	171	171	-	-	-	-
Miscellaneous							
Land Acquisition	31,600	31,600	31,600	-	-	-	-
Point Peron Camp School	455	455	446	-	-	-	-
Power Supply Upgrade	4,834	4,834	3,325	-	-	-	-
Sewer Connections	500	500	350	-	-	-	-
Transportable Classrooms	8,440	8,440	1,576	-	-	-	-
Other School Facilities							
Administration Upgrade	1,426	1,426	1,170	-	-	-	-
Canteens	100	100	50	-	-	-	-
Central Reserve Schools	432	432	393	-	-	-	-
Covered Assembly Areas	3,578	3,578	2,513	-	-	-	-
Early Childhood Program	1,335	1,335	1,335	-	-	-	-
Ground Developments	200	200	200	-	-	-	-
Library Resource Centres	638	638	638	-	-	-	-
Student Services - Improvements	1,166	1,166	1,100	-	-	-	-
Toilet Replacement Program	3,366	3,366	3,100	-	-	-	-
Training							
New Buildings and Additions at TAFE Colleges and Centres							
Challenger TAFE - Kwinana - Automotive Centre	10,403	10,403	531	-	-	-	-
South West Regional TAFE - Bunbury - Building and							
Construction Workshop Extension	2,288	2,288	1,567	-	-	-	-
Other Projects - Mobile Trade Training Facilities	2,000	2,000	1,700	-	-	-	-
NEW WORKS							
New High Schools							
Baldivis Secondary School	44,000	-	-	6,000	18,000	20,000	-
Banksia Grove	30,000	-	-	-	-	-	1,000
Butler	53,000	-	-	2,000	8,000	17,000	26,000
Byford Secondary School	30,000	-	-	-	1,000	7,000	10,000
Dongara	30,000	-	-	3,200	16,000	10,800	-

	Estimated Total Cost	Estimated Expenditure to 30-6-09	2008-09 Estimated Expenditure	2009-10 Estimated Expenditure	2010-11 Forward Estimate	2011-12 Forward Estimate	2012-13 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Additional Stages at High Schools							
Applecross.....	56,000	-	-	2,000	14,000	14,000	14,000
Ashdale College (Stage 2).....	31,000	-	-	11,000	10,000	10,000	-
Atwell College (Stage 2).....	33,000	-	-	11,000	10,000	12,000	-
Additions and Improvements to High Schools							
Albany.....	2,000	-	-	2,000	-	-	-
Bunbury.....	2,000	-	-	1,100	900	-	-
Busselton - Upgrade.....	3,000	-	-	3,000	-	-	-
Churchlands - Music Auditorium Expansion.....	10,000	-	-	5,000	5,000	-	-
Eastern Hills.....	2,000	-	-	1,200	800	-	-
Ocean Reef.....	150	-	-	150	-	-	-
Rossmoyne.....	1,000	-	-	1,000	-	-	-
Rossmoyne (2011).....	13,000	-	-	5,000	8,000	-	-
Secondary Science Upgrades.....	18,000	-	-	6,000	6,000	6,000	-
Design and Technology Upgrades.....	10,000	-	-	4,000	6,000	-	-
Additions and Improvements to District High Schools							
Bullsbrook.....	20,000	-	-	500	5,000	5,000	9,500
Design and Technology Upgrades.....	10,000	-	-	4,000	6,000	-	-
Donnybrook.....	5,000	-	-	4,200	800	-	-
Exmouth.....	15,000	-	-	7,000	8,000	-	-
Additions and Improvements to Agricultural Colleges							
Harvey Agricultural School.....	25,000	-	-	5,000	8,000	12,000	-
Student and Staff Accommodation Upgrades.....	18,000	-	-	4,000	9,000	5,000	-
New Primary Schools							
Aubin Grove.....	15,000	-	-	7,000	8,000	-	-
Aveley.....	16,000	-	-	1,000	6,500	8,500	-
Baldivis Precinct 5 (K-2) (2011).....	3,500	-	-	3,500	-	-	-
Lake Gwelup (2011).....	13,000	-	-	7,000	6,000	-	-
Marri Grove (2011).....	2,500	-	-	1,500	1,000	-	-
Neerabup (2011).....	5,000	-	-	3,000	2,000	-	-
New schools - To be determined.....	159,700	-	-	3,000	22,500	45,000	34,000
Interim Schools.....	2,400	-	-	600	600	600	600
Pinjarra Early Childhood Education.....	2,500	-	-	1,500	1,000	-	-
Remote Community Schools.....	3,421	-	-	1,000	1,000	1,000	421
Tapping (K-2) (2011).....	10,000	-	-	3,000	7,000	-	-
Wandina.....	17,000	-	-	-	1,000	7,000	9,000
West Byford.....	17,000	-	-	-	-	1,000	7,500
Additions and Improvements to Primary Schools							
Balingup.....	150	-	-	150	-	-	-
Boyanup.....	500	-	-	500	-	-	-
Bunbury.....	4,000	-	-	3,100	900	-	-
Capel.....	100	-	-	100	-	-	-
Chidlow.....	2,000	-	-	2,000	-	-	-
Dardanup.....	500	-	-	500	-	-	-
East Maddington.....	150	-	-	150	-	-	-
Excelsior.....	150	-	-	150	-	-	-
Flinders Park.....	100	-	-	100	-	-	-
LNP Election Commitments - School Capital							
Improvements - to be determined.....	279	-	-	-	-	-	279
Mullaloo Beach.....	350	-	-	350	-	-	-
River Valley.....	100	-	-	100	-	-	-
Schools in Cottesloe.....	300	-	-	300	-	-	-
South Bunbury.....	1,000	-	-	1,000	-	-	-
Sutherland Dianella.....	5,000	-	-	1,200	3,800	-	-
To be announced.....	3,000	-	-	3,000	-	-	-
West Greenwood.....	350	-	-	350	-	-	-
Wilson Park.....	500	-	-	500	-	-	-
Withers.....	1,600	-	-	1,600	-	-	-
Yokine.....	300	-	-	300	-	-	-
Trade Training Centres							
Round 1 - Phase 2 and Round 2.....	77,059	-	-	21,739	16,214	19,089	20,017
Miscellaneous							
Concrete Cancer Remediation.....	8,000	-	-	4,000	4,000	-	-
Indigenous Child and Family Centres.....	18,485	-	-	3,187	5,737	3,187	3,187
Infrastructure Power Upgrades.....	10,000	-	-	5,000	5,000	-	-
Land Acquisition.....	87,200	-	-	22,400	24,800	20,000	20,000
Power Supply Upgrade.....	2,000	-	-	1,000	500	500	-
Roof Replacement.....	20,000	-	-	5,000	5,000	5,000	5,000
Sewer Connections.....	2,400	-	-	1,200	600	600	-
Transportable Classrooms.....	18,000	-	-	4,500	4,500	4,500	4,500

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Other School Facilities							
Administration Upgrade	9,000	-	-	4,600	2,200	2,200	-
Canteens	900	-	-	300	200	200	200
Central Reserve Schools	2,807	-	-	1,007	600	600	600
Covered Assembly Areas	10,954	-	-	5,954	2,500	2,500	-
Early Childhood Program	6,165	-	-	1,665	1,500	1,500	1,500
Ground Developments	1,200	-	-	300	300	300	300
Library Resource Centres	11,762	-	-	6,562	2,600	2,600	-
Rural Integration Program	2,900	-	-	1,100	600	600	600
Student Services - Improvements	4,300	-	-	1,700	1,300	1,300	-
Toilet Replacement Program	6,600	-	-	3,400	1,600	1,600	-
Training							
New Buildings and Additions at TAFE Colleges and Centres							
Central TAFE - Aberdeen St Refurbishment	7,990	-	-	700	2,040	3,490	1,760
Central TAFE - E Central and Leederville Realignment	4,000	-	-	4,000	-	-	-
Central West TAFE - Geraldton Skills Barn	1,800	-	-	1,800	-	-	-
Challenger TAFE - Murdoch Stage 4	41,970	-	-	-	-	-	250
Challenger TAFE - Rockingham - Campus Redevelopment	28,610	-	-	6,750	10,150	8,210	3,500
CY O'Connor College - Northam B and C Workshop	2,400	-	-	2,400	-	-	-
CY O'Connor College - Narrogin Campus Upgrade	2,300	-	-	-	100	900	1,300
Great Southern TAFE - Mt Barker Campus	4,440	-	-	-	-	-	250
Kimberley TAFE - Fitzroy Crossing Training Centre	3,000	-	-	2,000	1,000	-	-
Kimberley TAFE - West Kimberley Campus	5,460	-	-	-	-	-	850
South West Regional TAFE - Busselton Campus Upgrade	2,000	-	-	-	-	-	2,000
South West Regional TAFE - Bunbury - Heavy Duty Automotive	16,000	-	-	400	6,500	9,100	-
Swan TAFE - Armadale Training Centre	9,010	-	-	-	-	1,490	3,510
Total Cost of Asset Investment Program	3,319,042	627,649	297,707	1,125,826	853,264	329,464	198,922
FUNDED BY							
Capital Appropriation			194,273	1,018,292	743,358	227,915	96,445
Commonwealth Grants			82,331	59,217	72,518	73,751	74,679
Drawdowns from the Holding Account			18,000	18,000	18,000	18,000	18,000
Internal Funds and Balances			(6,695)	20,519	9,590	-	-
Other			9,798	9,798	9,798	9,798	9,798

FINANCIAL STATEMENTS

Income Statement

Expenses

The Income Statement shows an estimated increase in the Total Cost of Services of \$419 million (11.4 per cent) for 2009-10 compared to the 2008-09 Estimated Actual, mainly attributable to:

- salary and wage increases for teachers and TAFE lecturers (\$119.0 million);
- salary and wage increases for education assistants and cleaners and gardeners (\$15.1 million);
- 2008 Election Commitments:
 - Better Behaviour in Public Schools (\$8.5 million); and
 - Boarding Away from Home Allowance (\$1.8 million);
- 3% Efficiency Dividend (-\$75.7 million);
- increase in State funding for schools' maintenance and minor works (\$5.2 million);
- Commonwealth funded programs - COAG:
 - National Partnership Payments (\$173.1 million);
 - Building the Education Revolution (\$114.9 million);
 - Schools Specific Purpose Programs (\$21.2 million);
 - Skills Specific Purpose Programs (\$10.3 million); and
 - Productivity Places Program (\$2.4 million);

- Economic Audit Stage One Outcome – Review of Transition Support for Secondary Students (-\$1.4 million);
- Economic Stimulus Package – Training (\$20.2 million); and
- increased staff housing costs for teachers and TAFE lecturers in regional areas (\$5.1 million).

Income

Total income is estimated to be \$781.2 million for 2009-10. This represents an increase of \$0.5 million (0.1 per cent) compared to the 2008-09 Estimated Actual.

Balance Sheet

The Department's total equity is expected to increase by \$977 million (9.3 per cent) between the 2008-09 Estimated Actual and the 2009-10 Budget. This reflects a projected increase in total assets of \$1,008 million (9.0 per cent) and an increase in total liabilities of \$30.8 million (4.5 per cent) over the same period.

The expected increase in assets is attributable to:

- Increased property, plant and equipment (\$895.9 million), mainly as a result of an increased asset base due to the Asset Investment Program (\$1,125.8 million), routine replacement of leased assets (\$15 million), offset by disposals (\$45.9 million) and depreciation (\$199.3 million);
- Increased amounts receivable for services for approved future asset replacement (\$202.3 million);
- A reduction in cash assets of \$90.3 million mainly due to the carryover of expenditure for Commonwealth funded programs (COAG).

The increase in liabilities is mainly attributable to the estimated increase in employee provisions (\$19.7 million) and accrued salaries (\$9.7 million) as a result of salary and wage increases.

Cashflow Statement

The 2009-10 closing cash assets balance of \$341 million represents a decrease of \$90.3 million in comparison to the 2008-09 Estimated Actual. The decrease is primarily attributable to the carryover of expenditure for Commonwealth funded programs under the new COAG arrangements.

INCOME STATEMENT ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(c)	2,153,373	2,314,324	2,325,391	2,476,658	2,638,359	2,695,848	2,793,354
Grants and subsidies ^(d)	397,376	381,422	393,742	395,547	414,877	420,926	422,647
Depreciation and amortisation	163,930	172,247	183,718	199,303	221,162	235,452	243,327
Direct school expenses	274,005	262,326	289,424	293,797	300,800	308,237	316,392
School support services	112,677	105,622	128,273	205,381	109,223	110,688	112,403
Other expenses	266,764	356,137	361,326	530,130	452,314	456,651	435,742
TOTAL COST OF SERVICES.....	3,368,125	3,592,078	3,681,874	4,100,816	4,136,735	4,227,802	4,323,865
Income							
Sale of goods and services	41,225	35,164	48,569	49,238	50,451	51,910	53,381
Grants and subsidies	462,709	425,331	560,876	559,740	600,689	658,004	653,443
School contributions, charges and recoveries ..	119,276	101,811	124,287	128,020	131,547	135,174	138,857
Other revenue	67,697	40,615	46,927	44,174	45,204	46,352	47,487
Total Income.....	690,907	602,921	780,659	781,172	827,891	891,440	893,168
NET COST OF SERVICES.....	2,677,218	2,989,157	2,901,215	3,319,644	3,308,844	3,336,362	3,430,697
INCOME FROM STATE GOVERNMENT							
Service appropriations	2,770,306	3,051,617	3,074,857	3,321,791	3,382,181	3,449,319	3,512,589
Resources received free of charge	2,426	633	633	633	633	633	633
Liabilities assumed by the Treasurer ^(e)	-	18,846	-	-	-	-	-
Royalties for regions fund.....	-	-	-	1,800	1,850	1,950	2,500
TOTAL INCOME FROM STATE GOVERNMENT.....	2,772,732	3,071,096	3,075,490	3,324,224	3,384,664	3,451,902	3,515,722
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	95,514	81,939	174,275	4,580	75,820	115,540	85,025
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	95,514	81,939	174,275	4,580	75,820	115,540	85,025

(a) Full audited financial statements are published in the agency's Annual Report.

(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

(c) The Full Time Equivalents (FTEs) for 2007-08 Actual, 2008-09 Estimated Actual and 2009-10 Estimate are 31,522, 31,847 and 31,765 respectively.

(d) Refer Details of Controlled Grants and Subsidies table below for further information. The appropriation of funds for the delivery of vocational education and training services by TAFE Colleges, Curtin Vocational Training and Education Centre, Kalgoorlie and the Western Australian Academy of Performing Arts is provided in this table.

(e) Following a change in accounting policy effective from 31 December 2008, notional superannuation will no longer be recognised in the financial statements.

Details of Controlled Grants and Subsidies

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Contracts and Agreements for the Delivery of Training and Employment Services by: TAFE Colleges; Curtin VET Centre; Kalgoorlie and Western Australian Academy of Performing Arts.....	345,346	341,105	335,711	356,873	376,188	382,150	383,872
Other.....	52,030	40,317	58,031	38,674	38,689	38,776	38,775
TOTAL.....	397,376	381,422	393,742	395,547	414,877	420,926	422,647

BALANCE SHEET ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	314,755	219,558	272,816	245,010	195,605	161,312	73,300
Restricted cash	-	-	104,650	-	-	-	-
Holding account receivables	19,144	19,144	19,144	19,144	19,144	19,144	19,144
Receivables	45,895	27,355	43,330	43,398	43,467	43,537	43,606
Other	7,519	7,981	7,519	7,519	7,519	7,519	7,519
Assets held for sale	-	10,957	-	-	-	-	-
Total current assets	387,313	284,995	447,459	315,071	265,735	231,512	143,569
NON-CURRENT ASSETS							
Holding account receivables	733,123	907,343	918,814	1,121,135	1,332,748	1,558,651	1,792,429
Property, plant and equipment	9,704,920	8,153,544	9,722,814	10,618,697	11,176,646	11,247,784	11,177,480
Intangibles	7,405	5,355	7,200	6,995	6,790	6,585	6,380
Restricted cash	22,490	30,664	54,275	96,391	149,962	216,212	296,469
Total non-current assets	10,467,938	9,096,906	10,703,103	11,843,218	12,666,146	13,029,232	13,272,758
TOTAL ASSETS	10,855,251	9,381,901	11,150,562	12,158,289	12,931,881	13,260,744	13,416,327
CURRENT LIABILITIES							
Employee provisions	365,039	378,787	392,848	400,708	421,993	426,329	429,771
Payables	62,071	30,311	62,496	62,496	62,496	62,496	62,496
Borrowings	11,250	10,129	10,952	11,736	12,905	13,226	13,226
Other	39,373	40,375	45,221	55,116	66,127	77,480	78,956
Total current liabilities	477,733	459,602	511,517	530,056	563,521	579,531	584,449
NON-CURRENT LIABILITIES							
Employee provisions	149,041	157,225	152,255	164,128	175,285	183,831	195,042
Borrowings	15,542	11,159	16,600	16,842	15,915	14,667	13,419
Other	1,584	1,181	1,661	1,800	1,932	2,032	2,164
Total non-current liabilities	166,167	169,565	170,516	182,770	193,132	200,530	210,625
TOTAL LIABILITIES	643,900	629,167	682,033	712,826	756,653	780,061	795,074
EQUITY							
Contributed equity	912,255	1,055,933	995,158	1,967,512	2,621,457	2,811,372	2,866,917
Accumulated surplus/(deficit)	586,568	575,490	760,843	765,423	841,243	956,783	1,041,808
Reserves	8,712,528	7,121,311	8,712,528	8,712,528	8,712,528	8,712,528	8,712,528
Total equity	10,211,351	8,752,734	10,468,529	11,445,463	12,175,228	12,480,683	12,621,253
TOTAL LIABILITIES AND EQUITY	10,855,251	9,381,901	11,150,562	12,158,289	12,931,881	13,260,744	13,416,327

(a) Full audited financial statements are published in the agency's Annual Report.

(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

CASHFLOW STATEMENT ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	2,579,689	2,858,253	2,870,022	3,100,326	3,151,424	3,204,272	3,259,667
Capital appropriation	257,686	274,618	184,523	352,090	326,612	227,915	96,445
Holding account drawdowns	19,144	19,144	19,144	19,144	19,144	19,144	19,144
Royalties for Regions Fund ^(c)	-	-	-	1,800	1,850	1,950	2,500
Other.....	-	-	9,750	666,202	416,746	-	-
Net cash provided by State Government.....	2,856,519	3,152,015	3,083,439	4,139,562	3,915,776	3,453,281	3,377,756
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(2,115,608)	(2,267,783)	(2,291,737)	(2,447,211)	(2,595,387)	(2,671,643)	(2,777,269)
Grants and subsidies	(397,481)	(381,422)	(393,742)	(395,547)	(414,877)	(420,926)	(422,647)
Direct school payments.....	(242,364)	(262,402)	(289,500)	(293,797)	(300,800)	(308,237)	(316,392)
School support services	(131,780)	(105,603)	(128,254)	(205,381)	(109,223)	(110,688)	(112,403)
Other payments	(337,110)	(450,520)	(430,217)	(603,234)	(525,829)	(531,264)	(510,941)
Receipts							
Grants and subsidies	432,022	425,331	560,876	559,740	600,689	658,004	653,443
Sale of goods and services	41,724	35,164	48,569	49,238	50,451	51,910	53,381
GST receipts.....	73,201	95,753	76,009	74,110	74,851	75,599	76,357
School contributions, charges and recoveries ..	136,159	101,811	124,287	128,020	131,547	135,174	138,857
Other receipts	52,796	40,615	46,927	44,174	45,204	46,352	47,487
Net cash from operating activities.....	(2,488,441)	(2,769,056)	(2,676,782)	(3,089,888)	(3,043,374)	(3,075,719)	(3,170,127)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(334,723)	(342,825)	(297,707)	(1,125,826)	(853,264)	(329,464)	(198,922)
Net cash from investing activities.....	(334,723)	(342,825)	(297,707)	(1,125,826)	(853,264)	(329,464)	(198,922)
CASHFLOWS FROM FINANCING ACTIVITIES							
Other proceeds	(13,345)	(13,724)	(14,454)	(14,188)	(14,972)	(16,141)	(16,462)
Net cash from financing activities.....	(13,345)	(13,724)	(14,454)	(14,188)	(14,972)	(16,141)	(16,462)
NET INCREASE/(DECREASE) IN CASH HELD	20,010	26,410	94,496	(90,340)	4,166	31,957	(7,755)
Cash assets at the beginning of the reporting period	317,235	223,812	337,245	431,741	341,401	345,567	377,524
Cash assets at the end of the reporting period.....	337,245	250,222	431,741	341,401	345,567	377,524	369,769

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(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

(c) Increased Boarding Away From Home Allowance, to be funded from the Royalties for Regions 'Regional Community Services Fund'.

**RECONCILIATION RELATING TO MAJOR FUNCTIONAL TRANSFERS
AND ACCOUNTING POLICY CHANGES**

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement.....	3,368,125	3,592,078	3,681,874	4,100,816	4,136,735	4,227,802	4,323,865
Adjustment for Notional Superannuation.....	-	(18,846)	-	-	-	-	-
Adjusted Total Cost of Services.....	3,368,125	3,573,232	3,681,874	4,100,816	4,136,735	4,227,802	4,323,865

AGENCY SPECIAL PURPOSE ACCOUNT DETAILS

School Development and Improvement Special Purpose Account

The School Development and Improvement Special Purpose Account is controlled through the Primary and Secondary education Services. It is utilised to provide for the maintenance and renovation of school facilities.

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000
Opening Balance.....	361	-	-	-
Receipts:				
Appropriations.....	-	-	-	-
Other.....	110	400	400	400
	471	400	400	400
Payments.....	471	400	400	400
CLOSING BALANCE	-	-	-	-

NET APPROPRIATION DETERMINATION

A determination by the Treasurer, pursuant to Section 23 of the *Financial Management Act 2006*, provides for the retention of the following cash receipts by the Department:

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000
Commonwealth Capital	50,387	49,074	82,331	59,217
Commonwealth Recurrent	381,635	376,257	478,545	500,523
Farm School Revenue	908	800	800	800
Fees - Agricultural Colleges	3,255	3,280	3,280	3,484
Fees - Other	6,999	6,690	7,708	7,918
Fees - Senior Colleges	3,803	3,789	3,789	3,917
Fees - Swimming Classes	487	544	544	490
GST Input Credits	68,082	89,128	70,839	68,888
GST Receipts on Sales	5,119	6,625	5,170	5,222
Physical Education Camp Schools Revenue	1,668	1,761	1,761	1,829
Proceeds From Commercial Activities of Institutions	25,512	19,100	31,487	31,600
Recoveries and Refunds - Teachers Salaries and Other	12,548	9,971	11,522	11,822
Refunds - Workers Compensation	8,875	6,800	9,141	9,415
Revenue - Other	9,318	13,143	11,371	11,485
Revenue - Other Capital	9,251	-	3,463	-
TOTAL ^(a)	587,847	586,962	721,751	716,610

(a) This table excludes user contributions, and fees and charges in respect of schools.

The moneys received and retained are to be applied to the Department's services as specified in the Budget Statements.

EDUCATION SERVICES

PART 6 - MINISTER FOR EDUCATION; TOURISM

DIVISION 29

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 34 Net amount appropriated to deliver services	18,418	19,272	15,627	19,687^(c)	19,692	18,514	17,846
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	193	199	199	211	211	211	217
Total appropriations provided to deliver services	18,611	19,471	15,826	19,898	19,903	18,725	18,063
ADMINISTERED TRANSACTIONS							
Item 35 Amount provided for Administered Grants, Subsidies and Other Transfer Payments	257,721	281,075	281,330	312,486	334,999	364,978	395,021
TOTAL APPROPRIATIONS	276,332	300,546	297,156	332,384	354,902	383,703	413,084
EXPENSES							
Total Cost of Services	30,643	35,864	35,093	36,907	37,498	37,000	37,297
Net Cost of Services ^(a)	16,803	20,050	18,614	20,230	20,638	19,959	20,147
CASH ASSETS ^(b)	6,175	3,490	4,275	4,349	4,015	3,339	1,813

- (a) Represents total cost of services (expenses) less retained revenues applied to the Department's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (b) As at 30 June each financial year.
- (c) The Appropriations, Expenses and Cash Assets statement shows an increase in the 2009-10 Net Amount Appropriated to Deliver Services of \$4.1 million (26 per cent), when compared to the 2008-09 Estimated Actual. This increase is mainly attributable to the additional funding for the International Education Program and to the refund of \$3.2 million to the Department of Treasury and Finance in 2008-09. This occurred as a result of excess funds that became available because of lower than expected rates of interest applicable to the Low Interest Loan Scheme (LILS) in 2007-08 and the extra funding as shown in the major policy decisions.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2008-09 Budget to Parliament on 8 May 2008 are outlined below.

	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Election Commitments					
Curriculum and Re-engagement in Education Schools Administered Grants.....	255	572	643	722	808
3% Efficiency Dividend					
Borrowing Costs	(410)	(834)	(849)	(848)	(848)
Operational Costs.....	(126)	(246)	(245)	(258)	(258)
<i>Total Savings</i>	<i>(536)</i>	<i>(1,080)</i>	<i>(1,094)</i>	<i>(1,106)</i>	<i>(1,106)</i>
Other					
International Education Program.....	-	1,500	1,500	-	-

RESOURCE AGREEMENT

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Ministers, Accountable Authority and Treasurer under Part 3, Division 5 of the *Financial Management Act 2006*.

OUTCOMES, SERVICES AND KEY PERFORMANCE INFORMATION

Relationship to Government Goals

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the agency's services and desired outcomes, and the government goal it contributes to. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Goal	Desired Outcome	Service
Outcomes-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	Registered and/or accredited education and training providers comply with the appropriate legislative and/or other regulatory requirements.	1. Regulation, Funding, and Policy Advice

Service Summary

Expense	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
1. Regulation, Funding, and Policy Advice.....	30,643	35,864	35,093	36,907	37,498	37,000	37,297
Total Cost of Services	30,643	35,864	35,093	36,907	37,498	37,000	37,297

Significant Issues Impacting the Agency

- Recommendations of a 2008 Commonwealth Government review of higher education (the Bradley Report) are subject to the Commonwealth Government clarifying its intentions in its 2009-10 Budget. The Department will closely monitor and respond to the strategic implications of the Commonwealth Government's response as the recommendations could, if implemented, have significant consequences for the post-school education and training sectors, particularly for the Department's regulatory responsibilities.
- Continuing demand for the Department's legislative review services by the Minister has resulted in requests to review the *Western Australian College of Teaching Act 2004* and prepare bills to amend the *Higher Education Act 2004*, the *Curriculum Council Act 1997* and a bill for miscellaneous amendments to the legislation for each university. These services are responsive to the need for effective and efficient education legislation.
- The Department is developing and implementing funding agreements and a new grants auditing program across all non-government schools to ensure the highest standards of probity in the use of public funds.
- The Department is developing a financial risk assessment process as part of the revision of the registration standards for school governance and sufficiency of financial resources to strengthen the accountability and financial viability of non-government schools.
- Consistent with, and in response to, the Council of Australian Governments' *Principles of Best Practice Regulation*, the State's separate regulatory frameworks for higher education providers, registered training organisations and international education providers are being progressively integrated to maximise the efficiency of existing, new and amended regulation and to avoid unnecessary compliance costs and potential restrictions on competition, particularly for multi-sectoral providers.
- The Department is developing a range of strategies as part of the international education program to support the international education industry and to restore Western Australia's market share of overseas student enrolments.

Outcomes and Key Effectiveness Indicators ^(a)

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Outcome: Registered and/or accredited education and training providers comply with the appropriate legislative and/or other regulatory requirements:					
Percentage of non self-accrediting higher education institutions complying with accreditation and authorisation requirements of the Higher Education Act 2004	90.9%	100%	95.5%	100%	
Percentage of non-government schools complying with registration requirements of the School Education Act 1999	96.8%	99%	90.2%	80%	1
Percentage of providers of education services to full fee international students complying with registration requirements of the <i>Education Service Providers (Full Fee Overseas Students) Registration Act 1991</i> and associated Regulations (ESPRA) and the <i>Education Services for Overseas Students Act 2000</i> (C'th)	93.3%	100%	100%	100%	
Percentage of Registered Training Organisations (RTO's) compliant with the Australian Quality Training Framework standards for RTO's	100%	100%	99.8%	100%	

(a) Further detail in support of the key effectiveness indicators is provided in the agency's Annual Report.

Explanation of Significant Movements

(Notes)

1. The reduction in the targeted percentage of schools which comply with registration requirements is due to a change in the methodology for measuring the number of schools not complying, which now includes the number of schools re-registered with conditions and the number of schools given directions to comply with a registration standard.

Services and Key Efficiency Indicators

1: Regulation, Funding, and Policy Advice

Provision of regulatory, funding and policy advisory services, as required by legislation or government policy, to support provision of quality services by registered and/or accredited education and training providers.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 30,643	\$'000 35,864	\$'000 35,093	\$'000 36,907	
Less Income.....	13,840	15,814	16,479	16,677	
Net Cost of Service ^(a)	16,803	20,050	18,614	20,230	
Employees (Full Time Equivalents)	54	54	54	58	
Efficiency Indicators					
Cost of Regulatory Services per Registered Provider/Institution	\$4,767	\$5,680	\$5,374	\$5,984	1
Cost of Funded Services per Funded Unit.....	\$4.76	\$5.49	\$5.50	\$7.72	2
Hourly Cost of Providing Policy Advice and Support.....	\$77.26	\$92.60	\$94.27	\$107.04	1

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

Explanation of Significant Movements

(Notes)

1. The impact of funding for the International Education Program in 2009-10 as a new initiative has resulted in an increase to the Total Cost of Services of \$1.8 million (5.2 per cent) when compared with the 2008-09 Estimated Actual. The Total Cost of Services is used in the calculation of the key efficiency indicators to apportion expenditure against the individual efficiency indicator service.
2. Strengthening the financial accountabilities for non-government schools is a significant strategic priority for the Department. The auditing of schools for census enrolment compliance will provide assurance that the potential risk of fraudulent activity is identified in a timely manner. In addition, the process will identify schools that may be experiencing financial difficulties. The design and implementation of a census audit and financial viability program is to ensure that Government per capita funding (in excess of \$310 million annually) is allocated appropriately to the non-government school sector. The program is to be operational for the commencement of the 2010 school year.

ASSET INVESTMENT PROGRAM

The capital works program for 2009-10 covers the Department's upgrade and replacement of information technology equipment, furniture and fittings and the office fit-out programs.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
WORKS IN PROGRESS							
Office Fit-out - 2008-09 Program.....	310	170	170	140	-	-	-
COMPLETED WORKS							
Furniture and Fittings - 2008-09 Program.....	13	13	13	-	-	-	-
Information Technology Upgrade and Replacement - 2008-09 Program	37	37	37	-	-	-	-
NEW WORKS							
Furniture and Fittings							
2009-10 Program	9	-	-	9	-	-	-
2010-11 Program	10	-	-	-	10	-	-
2011-12 Program	9	-	-	-	-	9	-
2012-13 Program	13	-	-	-	-	-	13
Information Technology Upgrade and Replacement							
2009-10 Program	27	-	-	27	-	-	-
2010-11 Program	25	-	-	-	25	-	-
2011-12 Program	26	-	-	-	-	26	-
2012-13 Program	22	-	-	-	-	-	22
Total Cost of Asset Investment Program	501	220	220	176	35	35	35
FUNDED BY							
Drawdowns from the Holding Account			220	176	35	35	35

FINANCIAL STATEMENTS**Income Statement***Expenses*

The Income Statement shows an estimated increase in the 2009-10 Total Cost of Services of \$1.8 million (5.2 per cent), when compared to the 2008-09 Estimated Actual. This increase is mainly attributable to the additional funding for the International Education Program and the increase in salaries as a result of the Public Service Award negotiated during the year. In addition, current financial market conditions have resulted in lower interest rates applicable to the LILS, which in turn, has resulted in the finance costs payable to the Western Australian Treasury Corporation being slightly less than expected. If the interest rates continue to decline, the appropriation for the Department and the finance costs will be adjusted accordingly.

Income

Total Income is estimated to be \$16.5 million for 2009-10. This represents an increase of \$0.2 million (0.1 per cent) compared to the 2008-09 Estimated Actual. The increase is mainly attributable to the approved increase for fees for regulatory functions and revenues from non-government schools for interest liability under the LILS.

Balance Sheet

The Department's total equity is expected to decrease by \$0.2 million between the 2008-09 Estimated Actual and the 2009-10 Budget. The negative equity reported is a result of the application of Accounting Standard AASB 139. In accordance with AASB 139 Financial Instruments 'Recognition Measurement', the Department was required to report the low interest loans to non-government education sector institutions at the amortised cost using the effective interest method. The subsequent application of this standard on the Department's financial records resulted in an initial write down of assets of \$50.3 million in 2005-06.

Cashflow Statement

The 2009-10 closing cash assets balance of \$4.3 million represents an increase of \$74,000 in comparison to the 2008-09 Estimated Actual. This is a minor aberration between cash receipts and payments.

INCOME STATEMENT ^(a)
(Controlled)

	2007-08 Actual	2008-09 Budget ^(b)	2008-09 Estimated Actual	2009-10 Budget Estimate	2010-11 Forward Estimate	2011-12 Forward Estimate	2012-13 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(c)	4,475	4,988	5,092	5,657	5,970	5,812	6,183
Grants and subsidies ^(d)	145	15	135	135	135	135	135
Supplies and services	1,972	3,151	3,005	4,306	4,167	3,239	3,008
Accommodation	221	245	443	467	476	492	561
Depreciation and amortisation	128	130	130	82	43	32	32
Borrowing costs	23,425	27,312	26,220	26,189	26,635	27,217	27,305
Other expenses	277	68	68	71	72	73	73
TOTAL COST OF SERVICES	30,643	35,909	35,093	36,907	37,498	37,000	37,297
Income							
Sale of goods and services	730	629	789	906	816	863	884
Grants and subsidies	399	327	404	424	445	467	467
Other revenue ^(e)	12,711	14,858	15,286	15,347	15,599	15,711	15,799
Total Income	13,840	15,814	16,479	16,677	16,860	17,041	17,150
NET COST OF SERVICES	16,803	20,095	18,614	20,230	20,638	19,959	20,147
INCOME FROM STATE GOVERNMENT							
Service appropriations	18,611	19,471	15,826	19,898	19,903	18,725	18,063
Resources received free of charge	167	130	130	130	130	130	130
Liabilities assumed by the Treasurer ^(f)	-	45	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	18,778	19,646	15,956	20,028	20,033	18,855	18,193
SURPLUS/(DEFICIENCY) FOR THE PERIOD	1,975	(449)	(2,658)	(202)	(605)	(1,104)	(1,954)
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	1,975	(449)	(2,658)	(202)	(605)	(1,104)	(1,954)

(a) Full audited financial statements are published in the agency's Annual Report.

(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

(c) The Full Time Equivalents (FTEs) for 2007-08 Actual, 2008-09 Estimated Actual and 2009-10 Estimate are 54, 54 and 58 respectively.

(d) Refer Details of Controlled Grants and Subsidies table below for further information.

(e) The new reporting structure for income items has the Finance revenue for the LILS reported under Other revenue. The budgeted amount for Finance revenues is \$15.2 million in 2009-10.

(f) Following a change in accounting policy, effective from 31 December 2008, notional superannuation will no longer be recognised in the financial statements.

Details of Controlled Grants and Subsidies

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Estimate	2010-11 Forward Estimate	2011-12 Forward Estimate	2012-13 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Other Miscellaneous Grants	-	-	100	100	100	100	100
Other Scholarships	145	15	35	35	35	35	35
TOTAL	145	15	135	135	135	135	135

BALANCE SHEET ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	6,175	3,470	4,265	4,329	3,985	3,309	1,783
Restricted cash	-	20	10	20	30	30	30
Holding account receivables	60	36	176	35	35	35	35
Receivables	19	73	19	19	19	19	19
Investments	20,851	22,396	25,116	26,885	28,535	30,185	31,835
Other	699	643	699	699	699	699	699
Total current assets	27,804	26,638	30,285	31,987	33,303	34,277	34,401
NON-CURRENT ASSETS							
Holding account receivables	300	94	94	141	149	146	143
Property, plant and equipment	1,573	1,292	1,610	1,633	1,655	1,580	1,583
Loans and Advances	149,063	161,101	155,574	155,575	153,604	149,606	145,586
Other	-	238	73	164	154	252	252
Total non-current assets	150,936	162,725	157,351	157,513	155,562	151,584	147,564
TOTAL ASSETS	178,740	189,363	187,636	189,500	188,865	185,861	181,965
CURRENT LIABILITIES							
Employee provisions	786	853	786	786	786	786	786
Payables	274	33	274	274	274	274	274
Borrowings	20,753	25,097	25,018	26,787	28,437	30,087	31,737
Other	1,900	3,927	1,900	1,900	1,900	1,900	1,900
Total current liabilities	23,713	29,910	27,978	29,747	31,397	33,047	34,697
NON-CURRENT LIABILITIES							
Employee provisions	166	277	166	166	166	166	166
Borrowings	196,993	205,075	204,262	204,539	202,839	199,269	195,677
Total non-current liabilities	197,159	205,352	204,428	204,705	203,005	199,435	195,843
TOTAL LIABILITIES	220,872	235,262	232,406	234,452	234,402	232,482	230,540
EQUITY							
Contributed equity	18	18	18	18	18	18	18
Accumulated surplus/(deficit)	(43,220)	(46,617)	(45,878)	(46,080)	(46,685)	(47,789)	(49,743)
Reserves	1,070	700	1,090	1,110	1,130	1,150	1,150
Total equity ^(c)	(42,132)	(45,899)	(44,770)	(44,952)	(45,537)	(46,621)	(48,575)
TOTAL LIABILITIES AND EQUITY	178,740	189,363	187,636	189,500	188,865	185,861	181,965

(a) Full audited financial statements are published in the agency's Annual Report.

(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

(c) Notwithstanding the Department's deficiency of net assets, the financial statements have been prepared as a going concern. This basis has been adopted as the Department is a State Government agency which is funded by parliamentary appropriation from the Consolidated Account.

CASHFLOW STATEMENT ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	18,481	19,341	15,696	19,816	19,860	18,693	18,031
Holding account drawdowns	60	360	220	176	35	35	35
Net cash provided by State Government.....	18,541	19,701	15,916	19,992	19,895	18,728	18,066
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(4,562)	(4,943)	(5,092)	(5,657)	(5,970)	(5,812)	(6,183)
Grants and subsidies	(145)	(15)	(135)	(135)	(135)	(135)	(135)
Supplies and services	(1,776)	(3,021)	(2,875)	(4,176)	(4,037)	(3,109)	(2,878)
Accommodation	(235)	(245)	(443)	(467)	(476)	(492)	(561)
Other payments ^(c)	(17,133)	(18,934)	(15,854)	(16,266)	(16,481)	(16,827)	(16,915)
Receipts							
Regulatory fees and fines.....	718	629	789	906	816	863	884
Grants and subsidies	399	327	404	424	445	467	467
GST receipts.....	373	170	170	170	170	170	170
Other receipts ^(d)	4,964	6,349	5,440	5,459	5,474	5,506	5,594
Net cash from operating activities.....	(17,397)	(19,683)	(17,596)	(19,742)	(20,194)	(19,369)	(19,557)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(29)	(360)	(220)	(176)	(35)	(35)	(35)
Net cash from investing activities.....	(29)	(360)	(220)	(176)	(35)	(35)	(35)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(19,483)	(18,816)	(21,209)	(24,454)	(26,550)	(28,420)	(28,442)
Other proceeds	(26,500)	(29,500)	(32,743)	(26,500)	(26,500)	(26,500)	(26,500)
Proceeds from borrowings	26,500	29,500	32,743	26,500	26,500	26,500	26,500
Other proceeds	20,192	18,816	21,209	24,454	26,550	28,420	28,442
Net cash from financing activities.....	709	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	1,824	(342)	(1,900)	74	(334)	(676)	(1,526)
Cash assets at the beginning of the reporting period	4,351	3,832	6,175	4,275	4,349	4,015	3,339
Cash assets at the end of the reporting period.....	6,175	3,490	4,275	4,349	4,015	3,339	1,813

(a) Full audited financial statements are published in the agency's Annual Report.

(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

(c) The new reporting structure for operating activities payments has the Finance Costs for the LILS reported under Other payments. The budgeted amount for Finance Costs is \$16 million in 2009-10.

(a) The new reporting structure for operating activities receipts has the Interest received from non-government educational sector institutions reported under Other receipts. The budgeted amount for Interest receipts is \$5.3 million in 2009-10.

**RECONCILIATION RELATING TO MAJOR FUNCTIONAL TRANSFERS
AND ACCOUNTING POLICY CHANGES**

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement.....	30,643	35,909	35,093	36,907	37,498	37,000	37,297
Adjustment for Notional Superannuation.....	-	(45)	-	-	-	-	-
Adjusted Total Cost of Services.....	30,643	35,864	35,093	36,907	37,498	37,000	37,297

DETAILS OF ADMINISTERED TRANSACTIONS

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
INCOME							
Other							
Interest Revenue	590	389	389	197	100	86	10
Appropriation.....	257,721	281,075	281,330	312,486	334,999	364,978	395,021
TOTAL INCOME.....	258,311	281,464	281,719	312,683	335,099	365,064	395,031
EXPENSES							
Grants To Charitable And Other Public Bodies							
Per Capita Grants to Non-Government Schools ^(a)	231,261	263,882	266,197	294,292	312,554	341,620	370,698
Supplementation Grants for Special Education Students.....	9,355	6,506	9,817	10,308	10,823	11,365	11,933
Non-Government School Psychology Services Grant.....	2,645	2,718	2,718	2,940	3,180	3,439	3,719
Funding for Western Australian Hospital Services and Western Australian Institute for Deaf Education.....	2,132	2,064	2,320	2,420	2,520	2,625	2,735
Grants for Students at Risk and Other Programs	236	300	300	325	325	325	325
Australian Music Examinations Board Grant	135	139	139	143	149	155	162
All Other Grants.....	310	401	359	360	361	364	364
Statutory Authorities							
Curtin University of Technology – Debt Charges.....	57	26	26	50	48	46	46
Other							
Superannuation - Higher Education Institutions.....	4,002	5,039	5,039	5,039	5,039	5,039	5,039
Finance Costs.....	590	389	389	217	100	86	10
TOTAL EXPENSES.....	250,723	281,464	287,304	316,094	335,099	365,064	395,031

- (a) The above average increase in per capita grants to the non-government school sector for 2009-10 compared with the 2008-09 Estimated Actual has occurred as a result of a supplementary payment of \$8.3 million, to assist the sector in meeting the rising costs of teachers' salaries. The annual increase in the Average Government School Recurrent Cost was 4.94 per cent and is applied as indexation in the 2009 calendar year. Movement in non-government school student numbers is estimated at 3.2 per cent for the 2009 calendar year.

NET APPROPRIATION DETERMINATION

A determination by the Treasurer, pursuant to Section 23 of the *Financial Management Act 2006*, provides for the retention of the following cash receipts by the Department:

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000
Commonwealth Specific Purpose Program - Aboriginal Education and Training Council	399	327	404	424
GST Input Credits	23,816	27,060	27,065	28,429
GST Receipts	77	20	20	20
Miscellaneous Revenue	109	280	120	120
Registration Fees	730	629	789	906
TOTAL	25,131	28,316	28,398	29,899

The moneys received and retained are to be applied to the Department's services as specified in the Budget Statements.

CURRICULUM COUNCIL

PART 6 - MINISTER FOR EDUCATION; TOURISM

DIVISION 30

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 36 Net amount appropriated to deliver services	23,955	21,572	23,816	24,224	17,157	17,406	17,939
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	214	228	230	244	244	247	249
Total appropriations provided to deliver services ^(c)	24,169	21,800	24,046	24,468	17,401	17,653	18,188
CAPITAL							
Item 127 Capital Appropriation.....	229	725	725	68	-	-	-
TOTAL APPROPRIATIONS	24,398	22,525	24,771	24,536	17,401	17,653	18,188
EXPENSES							
Total Cost of Services.....	25,712	23,364	26,824	25,148	19,563	19,933	19,929
Net Cost of Services ^(a)	24,574	22,553	26,013	24,338	18,693	19,063	19,017
CASH ASSETS ^(b)	4,636	4,574	2,098	1,898	1,450	1,002	832

(a) Represents total cost of services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.

(b) As at 30 June each financial year.

(c) The State provided additional funding of \$2.1 million and \$6.6 million for 2008-09 and 2009-10 respectively for the development and conduct of compulsory examinations. The funding of compulsory examinations for forward years has not been finalised, hence the drop in the Total appropriations provided to deliver services for 2010-11 to 2012-13.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2008-09 Budget to Parliament on 8 May 2008 are outlined below.

	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Election Commitments					
Media and Marketing, Advertising and Consultants Savings.....	(24)	(49)	(49)	(49)	(49)
3% Efficiency Dividend					
Reduction of Non-core Business Full Time Equivalents.....	(226)	(390)	(435)	(435)	(435)
Savings from Changing Timing of Teacher Professional Development	(105)	(105)	-	-	-
Online Professional Development for Teachers and Examination Contract Staff.....	-	(50)	(118)	(137)	(142)
Total Savings.....	(331)	(545)	(553)	(572)	(577)

	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Other					
Senior School Reform ^(a)	2,135	6,584	-	-	-

(a) Senior school reform funding is for the development and conduct of compulsory examinations.

RESOURCE AGREEMENT

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Minister, Accountable Authority and Treasurer under Part 3, Division 5 of the *Financial Management Act 2006*.

OUTCOMES, SERVICES AND KEY PERFORMANCE INFORMATION

Relationship to Government Goals

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the agency's services and desired outcomes, and the government goal it contributes to. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Goal	Desired Outcomes	Services
Outcomes-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	Continuous development of student learning and curriculum for Western Australian schools.	1. Curriculum Implementation and Maintenance 2. Course Development and Approval
	An equitable student assessment system to ensure confidence is maintained in Western Australian education standards.	3. Student Assessment and Certification

Service Summary

Expense	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
1. Curriculum Implementation and Maintenance	254	1,397	250	250			
2. Course Development and Approval	15,565	11,737	13,162	12,324	9,781	9,967	9,965
3. Student Assessment and Certification	9,893	10,230	13,412	12,574	9,782	9,966	9,964
Total Cost of Services	25,712	23,364	26,824	25,148	19,563	19,933	19,929

Significant Issues Impacting the Agency

- The implementation of the senior school reform as outlined in the report *Our Youth, Our Future* continues through to the end of 2010. This reform addresses:
 - the provision of courses that will allow schools to provide programs to all students, particularly those staying on at school as a result of the raising of the compulsory school leaving age to 17 in 2008;

- the provision of programs that prepare students for transition from school to further education, training and/or employment;
 - the skills shortage and changing school-leaver labour market expectations and requirements, including the growth of vocational education in schools and the need to accommodate this within the Western Australian Certificate of Education; and
 - more flexible university entrance requirements.
- There is a continuing need to build community and teachers' trust and confidence in the senior school reform, particularly in relation to assessment and reporting of student achievement.
 - With the implementation of examinations in all courses, it is expected that about two-thirds of the Year 12 students will complete examinations.
 - The implications of the development of national curriculum and assessment.
 - A review of the Curriculum Framework for curriculum, assessment and reporting purposes with particular reference to years kindergarten to Year 10.
 - Implementing legislative changes that may emanate from review of the *Curriculum Council Act 1997*.

Outcomes and Key Effectiveness Indicators ^(a)

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Outcome: Continuous development of student learning and curriculum for Western Australian schools:					
Schools that are monitoring students' progressive achievement of the Curriculum Framework comprising the achievements below.					
(i) implemented the Curriculum Framework supported by whole-school planning	99%	100%	100%	-	1
(ii) mechanisms in place to monitor and review the effectiveness of implementation of the Curriculum Framework on an ongoing basis.....	99%	100%	100%	-	1
(iii) monitored students' progressive achievement of the outcomes in the Curriculum Framework	99%	100%	100%	-	1
Acceptance by stakeholders that the courses developed or reviewed and approved were relevant to student learning needs.....	69%	75%	76%	76%	2
Outcome: An equitable student assessment system to ensure confidence is maintained in Western Australian education standards:					
Acceptance by stakeholders that the measures of student achievement were valid and credible.....	100%	100%	100%	100%	

(a) Further detail in support of the key effectiveness indicators is provided in the agency's Annual Report.

Explanation of Significant Movements

(Notes)

1. At the time of the preparation of this budget, the Council is working with the Department of Treasury and Finance on the revision of the outcomes and services. Service 1 is to be combined with Service 2 with new measurements to be put in place.
2. In the 2007-08 Annual Report, the effectiveness was reported in a scale ranging from 1 (low) to 7 (high), with responses taken from teachers and students.

Services and Key Efficiency Indicators

1: Curriculum Implementation and Maintenance

The development and support provided for implementation of the Curriculum Framework for schooling, which taking account of the needs of students sets out the knowledge, understandings, skills, values and attitudes that students are expected to acquire.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service ^(a)	254	1,397	250	250	1
Less Income.....	101	10	-	-	
Net Cost of Service ^(a)	153	1,387	250	250	
Employees (Full Time Equivalents)	-	26	-	-	
Efficiency Indicators					
Average Cost per Teacher for Documents, Advice, Information, Consultation and Monitoring	\$10	\$54	\$10	\$10	1
Average Cost per Teacher for Professional Development.....	-	-	-	-	1

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

Explanation of Significant Movements

(Notes)

- Part of Service 1 was transferred to Service 2.

2: Course Development and Approval

Course development facilitates the adjustment of courses to ensure they are relevant to the continuously changing requirements of student learning needs.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service ^(a)	15,565	11,737	13,162	12,324	1
Less Income.....	106	20	-	-	
Net Cost of Service ^(a)	15,459	11,717	13,162	12,324	
Employees (Full Time Equivalents).....	82	81	85	70	
Efficiency Indicators					
Average Cost per Course Developed or Reviewed and Approved.....	\$299,327	\$225,715	\$253,115	\$237,000	1

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

Explanation of Significant Movements

(Notes)

- The 2008-09 and 2009-10 cost included cost for the part of Service 1 transferred to Service 2.

3: Student Assessment and Certification

To ensure that valid and credible information on student achievement of schooling in their senior secondary courses is provided to facilitate their post-school choices and to inform the community.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 9,893	\$'000 10,230	\$'000 13,412	\$'000 12,574	1
Less Income.....	931	781	811	810	
Net Cost of Service ^(a)	8,962	9,449	12,601	11,764	
Employees (Full Time Equivalents)	82	61	85	70	
Efficiency Indicators					
Average Cost per School Subject/Course Combination	\$235	\$348	\$615	\$571	
Average Cost per Student Receiving a Statement of Results	\$161	\$134	\$319	\$131	2

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

Explanation of Significant Movements

(Notes)

- The restructure of the Curriculum Council in early 2008 with re-allocation of costs resulted in higher Total Cost of Service for the 2008-09 Estimated Actual compared to the 2008-09 Budget.
- The implementation of new courses and compulsory examinations led to change in the policy in the issuance of certificates. 2008-09 is the first year for phasing out issuance of certificates to Year 11, hence the number of certificates drop from 48,000 used in the 2008-09 Budget to 21,000 in the 2008-09 Estimated Actual. The next phase of change will occur in 2009-10 whereby certificates are issued to students who complete at least one course unit, subject or endorsed program. The latter will lead to an estimated number of 48,000 certificates to be issued in 2009-10, thus reducing the average cost.

ASSET INVESTMENT PROGRAM

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
WORKS IN PROGRESS							
Computer Hardware and Software - IT Upgrade and Replacement-Hardware and Software	1,190	170	170	170	170	170	170
Replacement of Student Information Records System	4,660	4,592	126	68	-	-	-
COMPLETED WORKS							
Furniture and Equipment - Furniture Upgrade and Replacement.....	40	40	40	-	-	-	-
Relocation of Office Premises	600	600	600	-	-	-	-
Total Cost of Asset Investment Program	6,490	5,402	936	238	170	170	170
FUNDED BY							
Capital Appropriation			725	68	-	-	-
Drawdowns from the Holding Account			210	170	170	170	170
Internal Funds and Balances			1	-	-	-	-

BALANCE SHEET ^(a)
(Controlled)

	2007-08 Actual	2008-09 Budget ^(b)	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	4,125	4,574	1,587	1,387	939	491	321
Holding account receivables	210	170	170	170	170	170	170
Receivables	261	97	261	261	343	343	234
Other.....	555	291	555	555	463	463	463
Total current assets	5,151	5,132	2,573	2,373	1,915	1,467	1,188
NON-CURRENT ASSETS							
Holding account receivables	1,108	2,220	2,220	3,256	3,327	3,327	3,365
Property, plant and equipment	205	345	206	256	185	191	170
Intangibles	2,266	6	2,015	3,820	3,160	2,699	2,227
Restricted cash	511	-	511	511	511	511	511
Other.....	1,222	2,418	1,987	-	-	-	-
Total non-current assets	5,312	4,989	6,939	7,843	7,183	6,728	6,273
TOTAL ASSETS.....	10,463	10,121	9,512	10,216	9,098	8,195	7,461
CURRENT LIABILITIES							
Employee provisions.....	1,548	1,202	1,548	1,548	1,548	1,548	1,548
Payables ^(a)	72	1	72	304	188	188	173
Other.....	297	198	297	297	297	514	514
Total current liabilities.....	1,917	1,401	1,917	2,149	2,033	2,250	2,235
NON-CURRENT LIABILITIES							
Employee provisions.....	536	210	536	536	536	536	536
Other.....	-	34	17	17	17	17	17
Total non-current liabilities	536	244	553	553	553	553	553
TOTAL LIABILITIES.....	2,453	1,645	2,470	2,702	2,586	2,803	2,788
EQUITY							
Contributed equity	5,532	6,257	6,257	6,325	6,325	6,325	6,325
Accumulated surplus/(deficit)	2,478	2,219	785	1,189	187	(933)	(1,652)
Total equity.....	8,010	8,476	7,042	7,514	6,512	5,392	4,673
TOTAL LIABILITIES AND EQUITY.....	10,463	10,121	9,512	10,216	9,098	8,195	7,461

(a) Full audited financial statements are published in the agency's Annual Report.

(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

CASHFLOW STATEMENT ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations ^(c)	23,028	20,518	22,764	23,262	17,160	17,483	17,982
Capital appropriation	229	725	725	68	-	-	-
Holding account drawdowns	190	210	210	170	170	170	170
Net cash provided by State Government.....	23,447	21,453	23,699	23,500	17,330	17,653	18,152
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(14,995)	(11,075)	(15,638)	(13,988)	(13,021)	(13,364)	(13,977)
Grants and subsidies	(325)	(15)	(15)	(15)	(15)	(15)	(15)
Supplies and services	(7,940)	(9,295)	(9,054)	(8,874)	(3,897)	(3,806)	(3,513)
Accommodation.....	(1,049)	(1,100)	(1,100)	(1,100)	(1,144)	(1,297)	(1,327)
Other payments	(1,253)	(781)	(781)	(771)	(831)	(831)	(604)
Receipts							
Grants and subsidies	39	40	40	40	50	50	50
Sale of goods and services	1,224	771	771	770	820	820	845
GST receipts.....	762	476	476	476	430	512	389
Net cash from operating activities.....	(23,537)	(20,979)	(25,301)	(23,462)	(17,608)	(17,931)	(18,152)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(1,071)	(936)	(936)	(238)	(170)	(170)	(170)
Net cash from investing activities.....	(1,071)	(936)	(936)	(238)	(170)	(170)	(170)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(97)	-	-	-	-	-	-
Net cash from financing activities	(97)	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	(1,258)	(462)	(2,538)	(200)	(448)	(448)	(170)
Cash assets at the beginning of the reporting period	5,894	5,036	4,636	2,098	1,898	1,450	1,002
Cash assets at the end of the reporting period.....	4,636	4,574	2,098	1,898	1,450	1,002	832

(a) Full audited financial statements are published in the agency's Annual Report.

(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

(c) The State provided additional funding of \$2.1 million and \$6.6 million for 2008-09 and 2009-10 respectively for the development and conduct of compulsory examinations. The funding of compulsory examinations for forward years has not been finalised, hence the lower service appropriations for 2010-11 to 2012-13.

COUNTRY HIGH SCHOOL HOSTELS AUTHORITY

PART 6 - MINISTER FOR EDUCATION; TOURISM

DIVISION 31

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 37 Net amount appropriated to deliver services	5,400	5,804	5,821	5,123	5,238	5,333	5,436
Total appropriations provided to deliver services	5,400	5,804	5,821	5,123	5,238	5,333	5,436
CAPITAL							
Item 128 Capital Appropriation.....	3,070	1,932	1,722	6,704	980	1,000	1,020
TOTAL APPROPRIATIONS	8,470	7,736	7,543	11,827	6,218	6,333	6,456
EXPENSES							
Total Cost of Services.....	11,263	13,026	12,879	13,409	14,064	14,557	14,991
Net Cost of Services ^{(a) (b)}	3,838	3,891	1,043	5,193	5,372	5,648	5,741
CASH ASSETS ^(c)	4,365	3,869	4,911	4,770	4,570	4,140	3,918

- (a) Represents total cost of services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (b) The net cost of services in 2009-10 will return to the approximate annual cost of the Authority's operations. The service costs in 2007-08 and 2008-09 were significantly less due to contributions from Catholic Education in Western Australia towards Broome and Albany Residential College's capital projects.
- (c) As at 30 June each financial year.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2008-09 Budget to Parliament on 8 May 2008 are outlined below.

	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
3% Efficiency Dividend					
Administrative Staffing Reduction	(50)	(100)	(110)	(110)	(110)
Minor Equipment and Maintenance	(45)	(101)	(101)	(101)	(103)
Administrative Services	(48)	(94)	(102)	(115)	(115)
Student Amenities	(30)	(59)	(59)	(59)	(59)
Total Savings.....	(173)	(354)	(372)	(385)	(387)

RESOURCE AGREEMENT

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Minister, Accountable Authority and Treasurer under Part 3, Division 5 of the *Financial Management Act 2006*.

OUTCOMES, SERVICES AND KEY PERFORMANCE INFORMATION**Relationship to Government Goals**

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the agency's services and desired outcomes, and the government goal it contributes to. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Goal	Desired Outcome	Service
Stronger Focus on the Regions: Greater focus on service delivery, infrastructure investment and economic development to improve the overall quality of life in remote and regional areas.	Quality accommodation, care and services for isolated students who have to board away from home to attend school.	1. Establishment, Operation and Maintenance of Residential Colleges

Service Summary

Expense	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
1. Establishment, Operation and Maintenance of Residential Colleges.....	11,263	13,026	12,879	13,409	14,064	14,557	14,991
Total Cost of Services	11,263	13,026	12,879	13,409	14,064	14,557	14,991

Significant Issues Impacting the Agency

- Delivery of an effective boarding service for Indigenous school students in response to increasing demand for more effective education services.
- Delivery of educational opportunities for rural students on par with metropolitan students.
- Cost effective service delivery through the identification and achievement of appropriate efficiency measures.
- Due to the structural changes to pre-Year 1 schooling in 2002 which created a 'half-cohort' and these children now moving into secondary learning (2010 to 2014) the Agency will have to manage staffing levels and marketing strategies over this period.

Outcomes and Key Effectiveness Indicators ^(a)

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Outcome: Quality accommodation, care and services for isolated students who have to board away from home to attend school:					
Average residential college occupancy rate	81%	84%	81%	81%	1
Families rating accommodation, care and services as good or better	91%	91%	91%	91%	2

(a) Further detail in support of the key effectiveness indicators is provided in the agency's Annual Report.

Explanation of Significant Movements

(Notes)

1. 'Half-cohort' effect, which relates to the change in school entry requirements. This will continue to affect enrolment numbers through to 2014.
2. Rating occurs on biennial basis. Accommodation, care and service rating options are: Very High, High, Good, Adequate, Inadequate and Unacceptable.

Services and Key Efficiency Indicators**1: Establishment, Operation and Maintenance of Residential Colleges**

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 11,263	\$'000 13,026	\$'000 12,879	\$'000 13,409	1
Less Income.....	7,425	9,135	11,836	8,216	
Net Cost of Service ^(a)	3,838	3,891	1,043	5,193	
Employees (Full Time Equivalents)	112	115	114	116	
Efficiency Indicators					
Cost (efficiency) Average Cost per Student.....	15,370	16,094	17,498	18,293	2

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

Explanation of Significant Movements

(Notes)

1. Total Cost of Service
The income received in 2008-09 is substantially higher compared to the 2008-09 Budget due to a \$3.2 million contribution from Catholic Education in Western Australia towards capital projects at both Albany (\$1.4 million) and Broome Residential Colleges (\$1.8 million) not being known prior to the finalisation of the 2008-09 Budget. A contribution of \$0.7 million from the Department of Education and Training (DET) for the purchase of specific buses with seatbelts, also contributed to the increase in income in 2008-09.

2. Average Cost per Student

The average cost per student will rise to \$18,293 in 2009-10, up from an estimated cost of \$17,498 in 2008-09 and a 2008-09 Budget figure of \$16,094.

This includes the cost of interest and depreciation on the Authority's capital projects at Broome and Albany. As shown in the income statement, interest charges on the Authority's loan to the Western Australian Treasury Corporation (WATC) will rise to \$1.3 million in 2009-10, up from \$0.7 million in 2007-08. Depreciation costs in the same period will have risen from \$1.0 million in 2007-08 to an estimated \$1.7 million in 2009-10.

Excluding interest and depreciation costs, the cost per student estimate for 2009-10 will be \$14,230 compared with \$14,091 in 2008-09.

ASSET INVESTMENT PROGRAM

The Authority's major capital expenditure components in 2009-10 are as follows:

- \$3.6 million to complete the Albany Residential College Project;
- \$2.1 million for live-in staff accommodation at various residential colleges;
- \$960,000 for the repayment of a loan to the WATC;
- \$44,000 for retrofitting of specific buses with seatbelts; and
- \$440,000 for building maintenance and asset replacement at the Authority's ten residential colleges.

Capital appropriation of \$6.7 million is to fund the first four items listed above while the \$440,000 for building maintenance and asset replacement is funded from the Holding Account.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
WORKS IN PROGRESS							
Motor Vehicles - Bus Replacement Program - Seat Belts	106	62	42	44	-	-	-
Redevelopment Programs							
Albany Residential College	18,448	14,848	10,050	3,600	-	-	-
COMPLETED WORKS							
Family Accommodation for Residential Colleges							
Adamson House - Northam	120	120	120	-	-	-	-
Maintenance Program - Residential Colleges							
2006-07 Program	500	500	294	-	-	-	-
2007-08 Program	500	500	192	-	-	-	-
2008-09 Program	424	424	424	-	-	-	-
Motor Vehicles -							
Purchase of College Buses 2008-09 Program	210	210	210	-	-	-	-
Redevelopment Programs - 2008-09 Program	470	470	470	-	-	-	-
Broome Residential College Construction	9,000	9,000	1,029	-	-	-	-
Broome Residential College Stage 2	4,850	4,850	3,644	-	-	-	-
NEW WORKS							
Maintenance Program - Residential Colleges							
2009-10 Program	440	-	-	440	-	-	-
2010-11 Program	456	-	-	-	456	-	-
2011-12 Program	476	-	-	-	-	476	-
Motor Vehicles							
Purchase of College Buses 2009-10 Program	220	-	-	220	-	-	-
Purchase of College Buses 2010-11 Program	240	-	-	-	240	-	-
Purchase of College Buses 2011-12 Program	290	-	-	-	-	290	-
Redevelopment Programs - 2009-10 Program	2,100	-	-	2,100	-	-	-
Total Cost of Asset Investment Program	38,850	30,984	16,475	6,404	696	766	-
FUNDED BY							
Capital Appropriation			1,042	5,744	-	-	-
Borrowings			10,645	-	-	-	-
Drawdowns from the Holding Account			424	440	456	476	-
Internal Funds and Balances			1,164	220	240	290	-
Other			3,200	-	-	-	-

FINANCIAL STATEMENTS**Income Statement***Expenses*

The 4.1 per cent (\$530,000) increase in expenses, between the 2009-10 Budget Estimate and 2008-09 Estimated Actual is mainly due to increased debt servicing costs (interest payments) to the WATC for capital works projects.

The borrowing costs have increased from \$1 million (2008-09 Estimated Actual) to \$1.3 million (2009-10 Budget Estimate), a 31.5 per cent increase, mainly for the Albany Residential College capital redevelopment project, which has a total budget of \$17.8 million.

These costs appear under 'Other expenses' in the Budget Papers. Refer to Annual Report for further breakdown of expenses.

Income

The \$3.6 million decrease in income from the 2008-09 Estimated Actual is due to two significant one-off contributions in 2008-09 for capital projects:

- \$3.2 million from the Catholic Education in Western Australia as contributions towards capital projects at both Albany (\$1.4 million) and Broome Residential Colleges (\$1.8 million); and
- \$0.7 million from the DET for the purchasing of specific buses with seatbelts.

The Authority is expecting a drop in income as enrolment numbers decline in 2010 due to the 'half-cohort' effect, which relates to the change in school entry requirements. This will continue to affect enrolment numbers through to 2014.

Balance Sheet

Property Plant and Equipment is predicted to increase by \$4.7 million from the 2008-09 Estimated Actual. This increase is due to the completion of the Albany Residential College redevelopment project and live-in staff accommodation projects at various residential colleges in 2009-10.

Cashflow Statement

Income is expected to decreased by \$3.6 million from the 2008-09 Estimated Actual \$12.3 million, as:

- in 2009-10 as there will be no one-off contributions from the Catholic Education in Western Australia or the DET (see Income Statement above);
- the Authority's student enrolment will reduce in 2009-10 due to the 'half-cohort' effect.

The net cost to the parents in 2010 will be the same as in 2008 as boarding fee increases have been offset by a significant increase in the State Boarding Away From Home Allowance.

INCOME STATEMENT ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(c)	5,690	6,346	6,530	6,632	7,006	7,304	7,555
Supplies and services	2,170	2,471	1,828	1,901	2,049	2,166	2,150
Accommodation	628	132	1,070	1,066	1,111	1,154	1,214
Depreciation and amortisation	986	1,508	1,508	1,663	1,671	1,670	1,670
Other expenses	1,792	2,579	1,943	2,147	2,227	2,263	2,402
TOTAL COST OF SERVICES.....	11,266	13,036	12,879	13,409	14,064	14,557	14,991
Income							
Sale of goods and services	6,595	7,233	7,233	7,748	8,220	8,414	8,750
Grants and subsidies	-	-	3,200	-	-	-	-
Other revenue	830	1,902	1,403	468	472	495	500
Total Income.....	7,425	9,135	11,836	8,216	8,692	8,909	9,250
NET COST OF SERVICES.....	3,841	3,901	1,043	5,193	5,372	5,648	5,741
INCOME FROM STATE GOVERNMENT							
Service appropriations	5,400	5,804	5,821	5,123	5,238	5,333	5,436
Resources received free of charge	98	10	110	110	110	110	115
Liabilities assumed by the Treasurer ^(d)	3	10	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT.....	5,501	5,824	5,931	5,233	5,348	5,443	5,551
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	1,660	1,923	4,888	40	(24)	(205)	(190)
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	1,660	1,923	4,888	40	(24)	(205)	(190)

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(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

(c) The Full Time Equivalents (FTEs) for 2007-08 Actual, 2008-09 Estimated Actual and 2009-10 Estimate are 112, 114 and 116 respectively.

(d) Following a change in accounting policy, effective from 31 December 2008, notional superannuation will no longer be recognised in the financial statements.

BALANCE SHEET ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	4,321	3,825	4,866	4,725	4,525	4,095	3,873
Restricted cash	44	44	45	45	45	45	45
Holding account receivables	424	440	440	456	456	476	-
Receivables	805	574	800	821	821	821	841
Other	6	6	6	6	6	6	6
Total current assets	5,600	4,889	6,157	6,053	5,853	5,443	4,765
NON-CURRENT ASSETS							
Holding account receivables	4,878	5,966	5,966	7,184	8,410	9,595	11,752
Property, plant and equipment	45,581	57,080	60,548	65,289	64,314	63,410	61,790
Total non-current assets	50,459	63,046	66,514	72,473	72,724	73,005	73,542
TOTAL ASSETS	56,059	67,935	72,671	78,526	78,577	78,448	78,307
CURRENT LIABILITIES							
Employee provisions	500	473	515	523	531	531	546
Payables ^(a)	276	103	252	247	247	247	247
Other	1,458	1,304	1,634	1,649	1,883	1,869	1,903
Total current liabilities	2,234	1,880	2,401	2,419	2,661	2,647	2,696
NON-CURRENT LIABILITIES							
Employee provisions	165	207	170	173	176	176	176
Borrowings	12,047	22,344	21,877	20,967	19,817	18,907	17,887
Other	44	42	44	44	44	44	44
Total non-current liabilities	12,256	22,593	22,091	21,184	20,037	19,127	18,107
TOTAL LIABILITIES	14,490	24,473	24,492	23,603	22,698	21,774	20,803
EQUITY							
Contributed equity	13,490	15,422	15,212	21,916	22,896	23,896	24,916
Accumulated surplus/(deficit)	13,880	15,771	18,768	18,808	18,784	18,579	18,389
Reserves	14,199	12,269	14,199	14,199	14,199	14,199	14,199
Total equity	41,569	43,462	48,179	54,923	55,879	56,674	57,504
TOTAL LIABILITIES AND EQUITY	56,059	67,935	72,671	78,526	78,577	78,448	78,307

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CASHFLOW STATEMENT ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	4,042	4,276	4,293	3,449	3,556	3,652	3,755
Capital appropriation	3,070	1,932	1,722	6,704	980	1,000	1,020
Holding account drawdowns	400	424	424	440	456	476	-
Net cash provided by State Government.....	7,512	6,632	6,439	10,593	4,992	5,128	4,775
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(5,638)	(6,329)	(6,495)	(6,612)	(6,978)	(7,270)	(7,517)
Supplies and services	(2,126)	(2,831)	(1,794)	(1,842)	(1,979)	(2,100)	(2,125)
Accommodation	(523)	(132)	(1,070)	(1,066)	(1,111)	(1,154)	(1,194)
Other payments	(2,775)	(2,609)	(2,295)	(2,536)	(2,610)	(2,663)	(2,791)
Receipts							
Sale of goods and services	6,419	7,168	7,168	7,708	8,180	8,400	8,700
GST receipts.....	936	500	500	500	500	500	500
Other receipts	830	502	1,403	478	482	495	450
Net cash from operating activities.....	(2,877)	(3,731)	(2,583)	(3,370)	(3,516)	(3,792)	(3,977)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(8,539)	(4,722)	(16,475)	(6,404)	(696)	(766)	-
Other receipts	-	-	3,200	-	-	-	-
Net cash from investing activities.....	(8,539)	(4,722)	(13,275)	(6,404)	(696)	(766)	-
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(532)	(890)	(680)	(960)	(980)	(1,000)	(1,020)
Proceeds from borrowings	2,000	4,200	10,645	-	-	-	-
Net cash from financing activities	1,468	3,310	9,965	(960)	(980)	(1,000)	(1,020)
NET INCREASE/(DECREASE) IN CASH HELD	(2,436)	1,489	546	(141)	(200)	(430)	(222)
Cash assets at the beginning of the reporting period.....	6,801	2,380	4,365	4,911	4,770	4,570	4,140
Cash assets at the end of the reporting period.....	4,365	3,869	4,911	4,770	4,570	4,140	3,918

(a) Full audited financial statements are published in the agency's Annual Report.

(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

**RECONCILIATION RELATING TO MAJOR FUNCTIONAL TRANSFERS
AND ACCOUNTING POLICY CHANGES**

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement.....	11,266	13,036	12,879	13,409	14,064	14,557	14,991
<i>Adjustment for Notional Superannuation.....</i>	(3)	(10)	-	-	-	-	-
Adjusted Total Cost of Services	11,263	13,026	12,879	13,409	14,064	14,557	14,991

WESTERN AUSTRALIAN TOURISM COMMISSION

PART 6 - MINISTER FOR EDUCATION; TOURISM

DIVISION 32

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 38 Net amount appropriated to deliver services	52,077	54,698	54,241	56,939	52,417	49,296	48,156
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	357	367	370	381	393	405	405
Total appropriations provided to deliver services	52,434	55,065	54,611	57,320	52,810	49,701	48,561
CAPITAL							
Item 129 Capital Appropriation.....	1,417	787	787	272	-	-	-
TOTAL APPROPRIATIONS	53,851	55,852	55,398	57,592	52,810	49,701	48,561
EXPENSES							
Total Cost of Services.....	56,442	62,285	61,943	61,245	56,810	53,701	50,442
Net Cost of Services ^(a)	52,399	57,635	57,293	57,335	52,785	49,676	46,417
CASH ASSETS ^(b)	8,145	2,291	5,096	4,954	4,971	5,327	8,304

(a) Represents total cost of services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.

(b) As at 30 June each financial year.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2008-09 Budget to Parliament on 8 May 2008 are outlined below.

	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Election Commitments					
Media and Marketing, Advertising and Consultants Savings.....	-	-	(1,314)	(1,314)	(1,314)
3% Efficiency Dividend					
Industry Development	(173)	(336)	(336)	(336)	(336)
Destination Marketing	(447)	(649)	(720)	(619)	(531)
Event Tourism.....	(278)	(614)	(614)	(614)	(614)
<i>Total Savings.....</i>	<i>(898)</i>	<i>(1,599)</i>	<i>(1,670)</i>	<i>(1,569)</i>	<i>(1,481)</i>
Other					
Red Bull Air Race.....	-	1,805	2,160	2,565	-
Continuation of Additional Marketing Funds – 2009-10.....	-	5,700	-	-	-

RESOURCE AGREEMENT

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Minister, Accountable Authority and Treasurer under Part 3, Division 5 of the *Financial Management Act 2006*.

OUTCOMES, SERVICES AND KEY PERFORMANCE INFORMATION

Relationship to Government Goals

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the agency's services and desired outcome, and the government goal it contributes to. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Goal	Desired Outcome	Services
Financial and Economic Responsibility: Responsible managing the State's finances through the efficient and effective delivery of services, encouraging economic activity and reducing regulatory burdens on the private sector.	Increased competitiveness and viability of the Western Australia Tourism industry.	1. Destination Marketing 2. Event Tourism 3. Industry Development and Visitor Servicing

Service Summary

Expense	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
1. Destination Marketing	28,866	27,412	27,152	28,408	18,648	19,299	18,850
2. Event Tourism.....	16,117	21,210	20,607	20,112	24,345	20,662	18,232
3. Industry Development and Visitor Servicing	11,459	13,663	14,184	12,725	13,817	13,740	13,360
Total Cost of Services	56,442	62,285	61,943	61,245	56,810	53,701	50,442

Significant Issues Impacting the Agency

- According to the most recent Tourism Satellite Account (2006-07) the Western Australian Tourism Industry generates nearly 80,000 jobs and injects just over \$7 billion into the Western Australian economy, of which over \$2 billion is spent in the regions. This has grown by 15.2 per cent over four years and compares to national tourism growth of 10.4 per cent over the same period.
- Tourism Western Australia (WA) commissioned work to assess the potential impact of the global financial crisis on tourism in November 2008. The Carmody Report indicated that, despite the fact that the value of the Australian dollar has dropped significantly giving Australia a positive price advantage in international markets, the global financial crisis will result in a decline in both consumer incomes and consumer confidence in most of our key markets. This will influence all discretionary consumer spending, including tourism, and it is predicted that tourist numbers and tourism spend will decline. As a result, Tourism WA has established a Tourism Industry Roundtable to monitor the affect of the global financial crisis and resulting actions taken by industry sectors and major operators.
- Tourism WA has significantly modified its marketing strategies to focus on geographic markets and consumer market segments most likely to continue to travel in the short to mid-term. These include short-haul markets, particularly those serviced by low-cost carriers, such as Singapore, Malaysia, Sydney and Melbourne. More emphasis is being placed on getting locals to holiday in Western Australia via 'Holiday at Home' campaigns.

- An additional \$5.7 million to support Destination Marketing has been provided to Tourism WA. A further amount of \$2.3 million has been directed to Destination Marketing from other operating areas of the agency for a 12 month period only (in 2009-10) in order to counter some of the short term affects of the global financial crisis.
- Tourism WA's public relations activities in the first nine months of 2008-09 generated \$53 million worth of media coverage (estimated advertising value) at a cost of less than \$1.5 million. 17 events were hosted by Tourism WA in 2008-09 and were estimated to attract more than 920,000 spectators, resulting in more than 300,000 additional visitor nights in the State and generating over 2,000 hours of television broadcast to millions of viewers in more than 100 countries. Approximately 544 registered international and national media personnel visited Western Australia to attend these events.
- The global demand by cities and countries to secure and host major events continues relatively unabated despite the economic environment. In response to this, and to help insulate the State from continually increasing event rights fees paid to event holders, Tourism WA is developing and supporting a suite of events that are anchored in Western Australia, such as the One Movement Festival Perth, Sculpture by the Sea and the Fremantle Street Arts Festival.
- Delivering on the marketing promise through product quality and value for money is important in the current environment. Increasingly, strong national and international competition means Western Australia must continue to improve product and service quality to ensure the State's tourism offerings gain preference. The labour shortage in the tourism industry, which has had a negative effect on service quality, is expected to ease as a result of the global financial crisis but skill shortages will continue to impact.
- Development within the industry continues to face delays due to complexities and delays in approval processes. The industry is also facing difficulties in securing finance and this is compounded by some restrictions related to tourism development in Western Australia. A review of tourist accommodation development in Western Australia has commenced.
- To further build Western Australia's competitive advantage it is important to focus on high yield and differentiated products, such as Indigenous and eco-tourism.
- The pressure on airlines as a result of the economic crisis is significant with a downturn in air traffic demand and, as a consequence, severe fare discounting is occurring both on domestic and international routes. Notwithstanding this, Perth Airport continues to be under pressure to handle current and expected traffic volumes. Plans to consolidate all large aircraft services into the current international airport precinct will be phased in over the next five to seven years.
- The tourism industry continues to consider the affect that climate change will have on the industry and travel behaviour. The industry's carbon footprint in Australia has now been measured and it is not currently considered to be an emission intensive industry.

Outcomes and Key Effectiveness Indicators ^(a)

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Outcome: Increased competitiveness and viability of the Western Australia Tourism industry:					
Percentage of visitors whose expectations were met or exceeded upon visiting Western Australia	n/a	90%	94%	90%	
Visitor expenditure in Western Australia (international, interstate and intrastate markets):.....					
- grows faster than the national average	WA spend -0.5% vs nat. avg. of 6.2%	WA growth in spend > growth in nat. avg.	WA spend -7.6% vs nat. avg - 0.7%	WA growth in spend > nat. avg.	
- grows faster than total Western Australia visitor numbers	WA spend -0.5% vs WA visitor numbers -6.8%	Growth in WA Visitor Expenditur e > growth in WA visitor numbers	WA spend -7.6% vs WA visitor numbers -8.3%	Growth in WA Visitor Expenditure > growth in WA visitor numbers	
Broader business community assessment of the value of tourism.....	n/a	50%	50%	50%	1

(a) Further detail in support of the key effectiveness indicators is provided in the agency's Annual Report.

Explanation of Significant Movements

(Notes)

1. No benchmarks set for first year. Frequency of measurement every two years. Survey conducted after end of financial year.

Services and Key Efficiency Indicators**1: Destination Marketing**

In partnership with the tourism and travel industry and Tourism Australia, Tourism WA promotes Western Australia as a desirable holiday destination in the core intrastate, interstate and international target market segments and in future international market segments, and undertakes marketing strategies that maximise the economic benefit to the State.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 28,866	\$'000 27,412	\$'000 27,152	\$'000 28,408	1
Less Income.....	2,734	2,480	2,480	1,980	
Net Cost of Service ^(a)	26,132	24,932	24,672	26,428	
Employees (Full Time Equivalents) ^(b)	80	80	77	73	
Efficiency Indicators					
Ratio of Tourism WA Marketing Spend to Visitor Spend.....	\$1: \$172.47	\$1: \$182.40	\$1: \$170.08	\$1: \$153.15	

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

(b) FTE numbers include staff employed on fixed term contracts against non-recurrent funding.

Explanation of Significant Movements

(Notes)

1. Extra \$2.3 million directed to Marketing in 2009-10, offset by \$0.5 million reduction due to the 3% Efficiency Dividend and \$0.5 million reduction relating to the movie 'Australia'.

2: Event Tourism

Tourism WA develops, attracts, supports and, where appropriate, manages events that are capable of generating substantial economic benefit, visitor expenditure and can cost-effectively market Western Australia nationally and internationally.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 16,117	\$'000 21,210	\$'000 20,607	\$'000 20,112	1
Less Income.....	276	330	330	180	
Net Cost of Service ^(a)	15,841	20,880	20,277	19,932	
Employees (Full Time Equivalents).....	23	23	21	21	
Efficiency Indicators					
Ratio of Tourism WA Event Spend to the Value of Projected Direct Expenditure Generated by Events (Future Years).....	\$1: \$9.97	\$1: \$10.84	\$1: \$11.87	\$1: \$23.70	2
Ratio of Tourism WA Event Spend to the Value of Direct Expenditure and Media Impact Generated by Events (Current Year).....	\$1: \$7.42	\$1: \$5.49	\$1: \$5.97	\$1: \$6.11	

- (a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

Explanation of Significant Movements

(Notes)

1. \$1.0 million directed to Marketing in 2009-10, and \$0.5 million reduction due to the 3% Efficiency Dividend. Timing of events calendar e.g. Red Bull Air Race, affects funding allocation.
2. Business event spend has previously been included in the indicator, however projected direct delegate expenditure generated from business events held in Western Australia have not been taken into account. The change is reflected in the 2009-10 Budget Target.

3: Industry Development and Visitor Servicing

This service ensures the promotion, fostering and facilitation of investment in and the development of new tourist infrastructure and products, and the improvement of existing tourist facilities and services in Western Australia. Tourism WA provides support for the delivery of quality visitor information and services and applies technology-led solutions to product and information distribution throughout Western Australia to increase the likelihood of visitors travelling within the State and to encourage them to increase their length of stay.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 11,459	\$'000 13,663	\$'000 14,184	\$'000 12,725	1
Less Income	1,033	1,840	1,840	1,750	
Net Cost of Service ^(a)	10,426	11,823	12,344	10,975	
Employees (Full Time Equivalents)	63	66	71	65	
Efficiency Indicators					
Total Cost of Industry Development and Visitor Servicing as Compared to Percentage of Visitor Satisfaction	n/a	\$160,741 per % vis.sat.	\$150,074 per % vis. sat.	\$140,998 per % vis. Sat	2

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

Explanation of Significant Movements

(Notes)

- \$1.0 million directed to Marketing in 2009-10, and \$0.3 million reduction due to the 3% Efficiency Dividend.
- The methodology of calculating the indicator was changed in 2008-09.

ASSET INVESTMENT PROGRAM

The asset investment program provides funding for:

- continuation of the asset replacement program, primarily computing equipment; and
- the Tourism e-Marketplace program.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
COMPLETED WORKS							
Purchase of Computer Hardware - 2008-09 Program	424	424	424	-	-	-	-
Tourism e-Marketplace - 2006-07 Program	3,765	3,765	856	-	-	-	-
NEW WORKS							
Purchase of Computer Hardware							
2009-10 Program	475	-	-	475	-	-	-
2010-11 Program	475	-	-	-	475	-	-
2011-12 Program	475	-	-	-	-	475	-
2012-13 Program	475	-	-	-	-	-	475
Tourism e-Marketplace - 2009-10 Program	272	-	-	272	-	-	-
Total Cost of Asset Investment Program	6,361	4,189	1,280	747	475	475	475
FUNDED BY							
Capital Appropriation			787	272	-	-	-
Drawdowns from the Holding Account			424	475	475	475	475
Internal Funds and Balances			69	-	-	-	-

FINANCIAL STATEMENTS**Income Statement***Expenses*

The income statement shows a decrease in the 2009-10 Total Cost of Services of \$0.7 million, when compared to the 2008-09 Estimated Actual. This decrease is mainly attributable to:

- a reduction in the grants and subsidy expense relating to the implementation of the findings of the Visitor Servicing Study (\$0.8 million);
- a decrease in the depreciation and amortisation expense relating to the Tourism e-Marketplace project (\$0.1 million); and
- offset by a slight increase in other expenses (\$0.2 million).

Income

Total income is estimated to be \$3.9 million for 2009-10. This represents a decrease of \$0.7 million compared to the 2008-09 Estimated Actual. The decrease is mainly attributable to a grant that was received in 2008-09 to implement the findings of the Visitor Services Study.

Balance Sheet

The Commission's total net asset position (total equity) is forecast to increase by \$0.3 million between the 2008-09 Estimated Actual and the 2009-10 Budget. This reflects a projected increase in Total Assets of \$0.1 million and a decrease in Total Liabilities of \$0.2 million over the same period.

The expected increase in assets is attributable to an increase in Holding Account receivables of \$1 million and a decrease in Intangibles of \$0.6 million, which relates mainly to the Tourism e-Marketplace project.

The decrease in liabilities is due to a lease incentive liability that is being reduced over the term of the lease (\$0.2 million).

Cashflow Statement

The 2008-09 closing cash balance of \$5.0 million represents a decrease of \$0.1 million in comparison to the 2008-09 Estimates Actual.

INCOME STATEMENT ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(c)	13,442	13,406	13,468	12,602	14,349	15,056	14,547
Grants and subsidies ^(d)	1,056	800	800	-	-	-	-
Supplies and services	31,902	38,569	38,165	39,045	32,865	29,251	26,501
Accommodation	1,546	1,734	1,734	1,793	1,855	1,926	1,926
Depreciation and amortisation	1,066	1,636	1,636	1,490	1,250	977	977
Other expenses	7,431	6,140	6,140	6,315	6,491	6,491	6,491
TOTAL COST OF SERVICES	56,443	62,285	61,943	61,245	56,810	53,701	50,442
Income							
Sale of goods and services	-	62	62	65	66	66	66
Grants and subsidies	29	1,000	1,000	-	-	-	-
Other revenue	4,014	3,588	3,588	3,845	3,959	3,959	3,959
Total Income	4,043	4,650	4,650	3,910	4,025	4,025	4,025
NET COST OF SERVICES	52,400	57,635	57,293	57,335	52,785	49,676	46,417
INCOME FROM STATE GOVERNMENT							
Service appropriations	52,434	55,065	54,611	57,320	52,810	49,701	48,561
Resources received free of charge	105	100	100	100	100	100	100
Liabilities assumed by the Treasurer ^(e)	1	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	52,540	55,165	54,711	57,420	52,910	49,801	48,661
SURPLUS/(DEFICIENCY) FOR THE PERIOD	140	(2,470)	(2,582)	85	125	125	2,244
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS ^(f)	140	(2,470)	(2,582)	85	125	125	2,244

- (a) Full audited financial statements are published in the agency's Annual Report.
- (b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.
- (c) The Full Time Equivalents (FTEs) for 2007-08 Actual, 2008-09 Estimated Actual and 2009-10 Estimate are 166, 169 and 159 respectively.
- (d) Refer Details of Controlled Grants and Subsidies table below for further information.
- (e) Following a change in accounting policy, effective from 31 December 2008, notional superannuation will no longer be recognised in the financial statements.
- (f) The increase in the 2012-13 surplus is due to 2012-13 expenses not being able to be fully recognised at the time of the budget.

Details of Controlled Grants and Subsidies

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Find the HMAS Sydney	400	-	-	-	-	-	-
Visitor servicing	656	800	800	-	-	-	-
TOTAL	1,056	800	800	-	-	-	-

BALANCE SHEET ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	8,145	2,116	5,055	4,872	4,848	5,204	7,679
Restricted cash	-	175	41	82	123	123	123
Holding account receivables	424	475	475	475	475	475	475
Receivables	1,659	1,403	2,036	2,036	2,036	2,036	2,036
Other	1,100	2,464	1,100	1,100	1,100	1,100	1,100
Total current assets	11,328	6,633	8,707	8,565	8,582	8,938	11,413
NON-CURRENT ASSETS							
Holding account receivables	2,704	3,865	3,865	4,880	5,655	6,157	6,659
Property, plant and equipment	370	2,394	442	478	478	423	213
Intangibles	1,631	2,132	1,432	824	217	0	0
Other	1,475	1,444	1,246	1,075	907	677	385
Total non-current assets	6,180	9,835	6,985	7,257	7,257	7,257	7,257
TOTAL ASSETS.....	17,508	16,468	15,692	15,822	15,839	16,195	18,670
CURRENT LIABILITIES							
Employee provisions	2,148	2,255	2,148	2,148	2,148	2,148	2,148
Payables	60	941	65	70	70	70	70
Other	5,260	2,846	5,391	5,316	5,365	5,753	6,141
Total current liabilities	7,468	6,042	7,604	7,534	7,583	7,971	8,359
NON-CURRENT LIABILITIES							
Employee provisions	793	855	793	793	793	793	793
Other	849	696	692	535	378	221	64
Total non-current liabilities	1,642	1,551	1,485	1,328	1,171	1,014	857
TOTAL LIABILITIES.....	9,110	7,593	9,089	8,862	8,754	8,985	9,216
EQUITY							
Contributed equity	6,020	8,477	6,807	7,079	7,079	7,079	7,079
Accumulated surplus/(deficit)	495	(1,622)	(2,087)	(2,002)	(1,877)	(1,752)	492
Reserves	1,883	2,020	1,883	1,883	1,883	1,883	1,883
Total equity.....	8,398	8,875	6,603	6,960	7,085	7,210	9,454
TOTAL LIABILITIES AND EQUITY	17,508	16,468	15,692	15,822	15,839	16,195	18,670

(a) Full audited financial statements are published in the agency's Annual Report.

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CASHFLOW STATEMENT ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	51,068	53,429	52,975	55,830	51,560	48,724	47,584
Capital appropriation	1,417	787	787	272	-	-	-
Holding account drawdowns	424	424	424	475	475	475	475
Net cash provided by State Government.....	52,909	54,640	54,186	56,577	52,035	49,199	48,059
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(13,468)	(13,360)	(13,422)	(12,556)	(14,303)	(14,981)	(14,472)
Grants and subsidies	(1,216)	(800)	(800)	-	-	-	-
Supplies and services	(28,478)	(38,576)	(38,172)	(38,931)	(33,137)	(29,283)	(26,031)
Accommodation.....	(1,856)	(1,577)	(1,577)	(1,636)	(1,698)	(1,699)	(1,699)
Other payments	(12,422)	(8,820)	(8,820)	(8,880)	(8,720)	(8,721)	(8,721)
Receipts							
Grants and subsidies	-	1,000	1,000	-	-	-	-
Sale of goods and services	-	62	62	65	66	66	66
GST receipts.....	3,455	3,186	3,186	3,216	3,190	3,191	3,191
Other receipts	3,239	2,588	2,588	2,750	3,059	3,059	3,059
Net cash from operating activities.....	(50,746)	(56,297)	(55,955)	(55,972)	(51,543)	(48,368)	(44,607)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(741)	(1,280)	(1,280)	(747)	(475)	(475)	(475)
Net cash from investing activities.....	(741)	(1,280)	(1,280)	(747)	(475)	(475)	(475)
NET INCREASE/(DECREASE) IN CASH HELD	1,422	(2,937)	(3,049)	(142)	17	356	2,977
Cash assets at the beginning of the reporting period	6,723	5,228	8,145	5,096	4,954	4,971	5,327
Cash assets at the end of the reporting period.....	8,145	2,291	5,096	4,954	4,971	5,327	8,304

(a) Full audited financial statements are published in the agency's Annual Report.

(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

**RECONCILIATION RELATING TO MAJOR FUNCTIONAL TRANSFERS
AND ACCOUNTING POLICY CHANGES**

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement.....	56,443	62,285	61,943	61,245	56,810	53,701	50,442
Adjustment for Notional Superannuation.....	(1)	-	-	-	-	-	-
Adjusted Total Cost of Services	56,442	62,285	61,943	61,245	56,810	53,701	50,442

ROTTNEST ISLAND AUTHORITY

ASSET INVESTMENT PROGRAM

Investment in 2009-10 will continue the upgrade and improvement of public facilities, utility services and projects related to heritage and environmental responsibilities on the Island. A total of \$3.7 million will be spent by the Authority in 2009-10 on its ongoing program to upgrade holiday and tourism facilities and other essential infrastructure.

Examples of the capital works projects include:

- enhancement of public ablutions and public areas;
- upgrading boat ramps, jetties and wharves;
- upgrading recreational facilities, including playing fields; and
- renewal of foreshore paths, seawalls, walking trails and boardwalks.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
WORKS IN PROGRESS							
Rottnest Island Taskforce Program - Infrastructure Waste.....	6,242	6,200	2,228	22	20	-	-
COMPLETED WORKS							
Holiday and Tourism Facilities - 2008-09 Program.....	3,700	3,700	3,700	-	-	-	-
Rottnest Island Taskforce Program							
Accommodation Refurbishment	9,629	9,629	2,853	-	-	-	-
Heritage - Oliver Hill, Battery Observation	1,331	1,331	1,331	-	-	-	-
NEW WORKS							
Holiday and Tourism Facilities							
2009-10 Program	3,700	-	-	3,700	-	-	-
2010-11 Program	3,700	-	-	-	3,700	-	-
2011-12 Program	3,700	-	-	-	-	3,700	-
2012-13 Program	3,700	-	-	-	-	-	3,700
Total Cost of Asset Investment Program	35,702	20,860	10,112	3,722	3,720	3,700	3,700
FUNDED BY							
Equity Contribution			7,623	-	-	-	-
Internal Funds and Balances			2,489	3,722	3,720	3,700	3,700

Part 7

Minister for Transport; Disability Services

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000
407	Transport			
	– Delivery of Services.....	80,394	69,937	92,448
	– Capital Appropriation	4,907	857	3,396
	Total	85,301	70,794	96,161
419	Commissioner of Main Roads			
	– Delivery of Services.....	498,363	515,364	562,563
	– Capital Appropriation	344,839	355,889	277,191
	– Administered Capital Appropriation.....	107,046	112,487	76,647
	Total	950,248	983,740	916,401
436	Public Transport Authority of Western Australia			
	– Delivery of Services.....	633,541	657,644	703,773
	– Capital Appropriation	56,677	84,681	58,501
	Total	690,218	742,325	762,274
459	Disability Services Commission			
	– Delivery of Services.....	325,417	353,497	383,405
	– Capital Appropriation	30	30	463
	Total	325,447	353,527	383,868
	GRAND TOTAL			
	– Delivery of Services.....	1,537,715	1,596,442	1,742,189
	– Capital Appropriation	406,453	441,457	339,551
	– Administered Capital Appropriation.....	107,046	112,487	76,647
	Total.....	2,051,214	2,150,386	2,158,387

TRANSPORT

PART 7 - MINISTER FOR TRANSPORT; DISABILITY SERVICES

DIVISION 33

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 39 Net amount appropriated to deliver services	81,376	80,394	69,937	92,448	97,519	89,186	90,060
Amount Authorised by Others Statutes – Salaries and Allowances Act 1975	-	-	-	317	317	317	317
Total appropriations provided to deliver services	81,376	80,394	69,937	92,765	97,836	89,503	90,377
CAPITAL							
Item 130 Capital Appropriation	12,660	4,907	857	3,396	1,094	861	2,657
TOTAL APPROPRIATIONS	94,036	85,301	70,794	96,161	98,930	90,364	93,034
EXPENSES							
Total Cost of Services	167,908	197,270	192,655	235,333	236,728	236,222	240,458
Net Cost of Services ^(a)	87,837	108,521	101,774	100,055	89,405	80,479	80,180
CASH ASSETS ^(b)	37,132	25,014	17,498	47,653	59,589	72,128	88,520

(a) Represents total cost of services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.

(b) As at 30 June each financial year.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2008-09 Budget to Parliament on 8 May 2008 are outlined below.

	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Royalties For Regions Initiatives					
Regional Airports Development Scheme	460	5,510	5,510	5,520	5,000
3% Efficiency Dividend					
Consultants and Contractors	(667)	(542)	(542)	(542)	(542)
Reduced Expenditure on Goods and Services	(533)	(533)	(533)	(533)	(533)
Reduction in Corporate Services	(750)	(750)	(750)	(750)	(750)
Salary Cost Reduction through Reducing Non-Core Activities and Natural Attrition	(1,017)	(3,818)	(3,805)	(3,961)	(3,921)
Total Savings	(2,967)	(5,643)	(5,630)	(5,786)	(5,746)
Economic Audit					
Cessation of Liquefied Petroleum Gas (LPG) Subsidy Scheme	-	(11,931)	(12,291)	(12,660)	(12,660)
Licensing Business Unit Efficiency Gains	-	(1,875)	(3,250)	(6,000)	(6,000)
Increase in Perth Parking Levy	-	16,400	16,400	16,400	16,400
Advertising Revenue	-	500	500	500	500

	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Election Commitment					
Media and Marketing, Advertising and Consultants Savings.....	(62)	(125)	(125)	(125)	(125)

RESOURCE AGREEMENT

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Minister, Accountable Authority and Treasurer under Part 3, Division 5 of the *Financial Management Act 2006*.

OUTCOMES, SERVICES AND KEY PERFORMANCE INFORMATION

Relationship to Government Goals

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the agency's services and desired outcomes, and the government goal it contributes to. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Goal	Desired Outcomes	Services
Outcomes-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	An accessible and safe transport system.	1. Transport System Planning and Regulation
	Road users that meet established vehicle standards and driver competencies.	2. Motor Vehicle Registration and Driver Licensing Services

Service Summary

Expense	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
1. Transport System Planning and Regulation	64,673	72,749	69,519	88,508	90,533	90,027	91,938
2. Motor Vehicle Registration and Driver Licensing Services.....	103,235	124,521	123,136	146,825	146,195	146,195	148,520
Total Cost of Services	167,908	197,270	192,655	235,333	236,728	236,222	240,458

Significant Issues Impacting the Agency

National Level

- Climate change impacts will increase as a focus of activity by the Commonwealth Government through the Council of Australian Governments (COAG). A Climate Change, Environment and Energy Working Group has been established under the Australian Transport Council (ATC) new National Transport Policy Framework, with the Department leading the group's work on behalf of the Western Australian Minister for Transport.

- Transport-related initiatives stemming from the COAG, the ATC and their related bodies continue to have significant implications for Western Australia. The Department, on behalf of the State, continues to work towards the COAG Road Reform Plan developing a single national system for each of rail safety regulation and investigation, maritime safety regulation and heavy vehicle regulation.

State and Regional Level

- Western Australia's intrastate air service policies must achieve a balance between promoting sustainable competition and ensuring that services to regional and remote communities are maintained. A review of intrastate air services to identify an optimal intrastate air service regime and assess compliance with National Competition Principles has been completed.

Transport System Planning

- The emphasis in freight logistics is now on the total demand-supply chain between producer and consumer rather than the individual linkages and the need to identify future requirements for road and rail routes to service Western Australia. The amount of freight to be transported is expected to increase at about 3.5 per cent per annum, resulting in a doubling of freight over the next 20 years.
- The Westralian Airports Corporation has identified substantial future development for Perth Airport to meet the community's expectations of a world-class airport. Substantial planning is required to ensure that the transport system will be able to accommodate the increasing volumes of passengers and freight that require access to and from the airport precinct. A master plan will be prepared to ensure that future investment decisions in road and public transport to and around the airport are coordinated so that its role is not compromised by lack of transport facilities.

Transport Regulation

The State's aviation sector will be affected by expected amendments to the Civil Aviation Safety Authority's safety regulations, which will include removal of the differentiation between aircraft safety standards for regular passenger transport services and charter services. If security regulations are amended to remove checked bag screening exemptions for charter aircraft, this could increase costs for some regional airports and related costs for charter airlines will increase.

- Developed a port access regime under the *Railway and Port (The Pilbara Infrastructure Pty Ltd) Agreement Act 2004*. The establishment of a port access regime, ensures third party access to port facilities developed at Port Hedland by The Pilbara Infrastructure Pty Ltd, a subsidiary of the Fortescue Metals Group.
- The *Owner-Drivers (Contracts and Disputes) Act 2007* (Act) was proclaimed on 1 August 2008 with full implementation by March 2009. A code of conduct in the form of regulations for the Act, a guideline rates model, and a model owner-driver contract are being developed by the Department in consultation with the Road Freight Transport Industry Council. The Act provides owner-drivers and hirers with access to a Road Freight Transport Industry Tribunal.
- Taxi industry performance remains a challenge, with service below the levels taxi customers are entitled to expect, despite significant reforms.
- Increased congestion on our navigable waterways in the metropolitan and regional areas, in particular the North West, is continuing to stretch maritime safety compliance capacity. Ongoing education of the boating public to maintain marine safety standards, compliance and competencies remains a priority.
- With rapidly advancing marine technology appropriate legislative framework is required to maintain effective safety management.
- Growing numbers of ageing drivers requiring medical assessments on their fitness to hold a driver's licence.

Outcomes and Key Effectiveness Indicators ^(a)

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Outcome: An accessible and safe transport system:					
Sample audited Taxi User Subsidy Scheme (TUSS) applications rejected contrary to the entitlement guidelines.....	1.64%	0%	1.4%	0%	
Registered recreational vessels involved in an incident (accident) on the water.....	0%	0.1%	0.1%	0.1%	
Commercial vessels surveyed under the Act involved in an incident (accident) on the water.....	5.15%	4%	4.3%	4%	
Number of serious rail accidents per million train kilometres.....	4.23	4.00	3.39	4.00	1
Outcome: Road users that meet established vehicle standards and driver competencies:					
Vehicle examinations completed in accordance with the Australian Design Rules assessed by independent audit.....	89%	100%	95%	100%	
Driver licences issued that comply with the Graduated Driver Training and Licensing system assessed by independent audit.....	85%	100%	91%	100%	2

(a) Further detail in support of the key effectiveness indicators is provided in the agency's Annual Report.

Explanation of Significant Movements

(Notes)

1. The variance between 2008-09 Budget and 2008-09 Estimated Actual relates to an assessment in changes in actual calendar year data between 2007 and 2008 as data for 2008-09 is not yet complete. This assessment reveals a reduction of nine Category A accident reports representing an overall reduction of 7.4 per cent. The 2009-10 Budget Target is based on trend analysis of data over several years.
2. The variance between 2008-09 Budget and 2008-09 Estimated Actual is due to an aberration following recent regulatory changes to the novice driver licensing process.

Services and Key Efficiency Indicators**1: Transport System Planning and Regulation**

Transport system planning and regulation is designed to improve accessibility and safety of the transport system for all Western Australians.

Transport Planning:

- integration between and within transport modes;
- managing heavy vehicle freight movement to major industrial and intermodal sites;
- increasing accessibility to a reasonable level of transport services for all individuals, businesses and communities; and
- encouraging sustainable choices through programs such as TravelSmart and cycling promotions.

Transport Regulation:

- setting competencies/standards and monitoring compliance for operators, vehicles and vessels in the taxi, omnibus and maritime industries;
- developing policies, standards and guidelines for rail safety regulation, accrediting rail owners and rail operators in accordance with relevant standards, and ensuring rail owners and operators comply with the terms of their accreditation;
- developing and implementing policies and strategies to facilitate safe navigation and safe use of the waters of the State;
- maintaining effective contingency response strategies and mechanisms to combat marine transport emergencies and marine environmental pollution incidents; and
- marine and transport related data collection, analysis and dissemination.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 64,676	\$'000 72,749	\$'000 69,519	\$'000 88,508	1
Less Income	28,331	20,871	14,885	55,534	
Net Cost of Service ^(a)	36,342	51,878	54,634	32,974	
Employees (Full Time Equivalents) ^(b)	310	303	335	335	
Efficiency Indicators					
Cost per Registered Vessel of Maritime Disaster Response	\$48.01	\$44.04	\$44.04	\$46.24	
Average Survey Cost per Commercial Vessel	\$2,124	\$2,479	\$2,479	\$2,603	
Average Cost per Private Recreational Vessel Registration	\$59.99	\$49.82	\$49.82	\$52.31	
Average Administrative Cost per Taxi User Subsidy Processed	\$1.02	\$1.01	\$1.01	\$1.06	
Average Cost per Household Contacted Under the Travelsmart Scheme	\$105.98	\$97.95	\$97.95	\$102.85	
Average Tonnage per North West Shipping Trip	\$2,880	\$3,050	\$3,050	\$3,050	
Cycling Grant Administration Cost as a Percentage of the Total Value of Grants	25.18%	\$16.97%	16.97%	16.9%	

- (a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.
- (b) The methodology for estimating employees (Full Time Equivalents) has been changed from the Department of Premier and Cabinet's Minimum Obligatory Information Requirements (MOIR) figure to an estimate on funded establishment.

Explanation of Significant Movements

(Notes)

- The increase in Total Cost of Service between the 2008-09 Estimated Actual and the 2009-10 Budget Target is due to the necessary changes as a consequence of the split of the Department for Planning and Infrastructure whereby a fee for service is charged to the Department of Transport for Corporate Services.

2: Motor Vehicle Registration and Driver Licensing Services

The *Road Traffic Act 1974* confers on the Department responsibility for licensing the State's drivers and registering vehicles. Drivers must demonstrate that they are competent to drive a vehicle by passing theoretical and practical tests and completing an incident free probationary period. Vehicles must be registered before they may lawfully be used on the road. Registration is conferred only where a vehicle is roadworthy.

This service contributes to Outcome-Based Service Delivery by:

- setting motor vehicle standards in accordance with national and State Government requirements, examining motor vehicles for compliance with those standards and registering and transferring compliant motor vehicles;
- setting standards and requirements within government policies for the issue of a licence to drive on roads;
- assessing driver competency, issuing and renewing driver licences in accordance with national and State Government requirements and driver competency standards;
- maintaining a database of registered vehicles and drivers, and managing vehicle identification numbers, to support the enforcement of road traffic and other relevant laws;
- collecting revenue for vehicle and driver licensing on behalf of other government agencies; and
- informing and educating road users about driver licensing, vehicle registration and related requirements.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 103,235	\$'000 124,521	\$'000 123,136	\$'000 146,825	1
Less Income.....	51,740	67,878	75,996	79,744	
Net Cost of Service ^(a)	51,495	56,643	47,140	67,081	
Employees (Full Time Equivalents) ^(b)	703	685	759	759	
Efficiency Indicators					
Average Cost per Vehicle and Driver Transaction	\$15.09	\$19.37	\$17.87	\$18.76	
Average Cost per Vehicle Inspection	\$57.99	\$51.13	\$57.65	\$60.53	
Average Cost per Driver Assessment.....	\$56.46	\$63.59	\$66.80	\$70.14	
Driver Licence Cards Issued Within 21 Days of Completed Application.....	99%	99%	99%	99%	
Vehicle Registrations Issued Within Seven Days of Completed Applications and Payment of Appropriate Fees.....	100%	100%	100%	100%	

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

(b) The methodology for estimating employees (Full Time Equivalents) has been changed from the Department of Premier and Cabinet's MOIR figure to an estimate on funded establishment.

Explanation of Significant Movements

(Notes)

1. The increase in Total Cost of Service between the 2008-09 Estimated Actual and the 2009-10 Budget Target is due to the necessary changes as a consequence of the split of the Department for Planning and Infrastructure whereby a fee for service is charged to the Department of Transport for Corporate Services.

ASSET INVESTMENT PROGRAM

The Department's planned asset investment for 2009-10 is \$7.3 million, comprising \$6.7 million in works in progress and \$600,000 for new works.

Major projects include the Licensing Business Unit (LBU) Reform. The LBU Project is a program that will simplify and modernise the delivery of licensing services. The reform program to-date has made significant achievements and the funding in 2009-10 provides for the continuation of the upgrade to the Transport Executive and Licensing Information System (TRELIS) and telecommunications and modernisation of Licensing Centres.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
WORKS IN PROGRESS							
Licensing Business Unit Reform.....	45,553	8,653	4,664	6,387	3,200	3,200	1,713
National Driver Licensing Scheme.....	365	142	-	223	-	-	-
Marine Safety							
Marine Oil Pollution Response Equipment – Enhancement / Replacement Program.....	585	422	246	69	94	-	-
Vessel Replacement.....	1,375	735	218	40	300	300	-
COMPLETED WORKS							
Marine Safety							
Navigations Aids							
2007-08 Program.....	550	550	174	-	-	-	-
2008-09 Program.....	510	510	510	-	-	-	-
Minor Works.....	30	30	30	-	-	-	-
NEW WORKS							
Marine Safety							
Navigations Aids - 2009-10 Program.....	600	-	-	600	-	-	-
Navigational Aids Program.....	8,825	-	-	-	700	561	944
Total Cost of Asset Investment Program	58,393	11,042	5,842	7,319	4,294	4,061	2,657
FUNDED BY							
Capital Appropriation.....			857	3,396	1,094	861	2,657
Internal Funds and Balances.....			4,985	3,923	3,200	3,200	-

FINANCIAL STATEMENTS

INCOME STATEMENT ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(c)	61,174	66,334	68,866	79,046	81,739	81,998	83,348
Grants and subsidies ^(d)	49,206	64,813	63,334	61,233	66,333	64,468	63,785
Supplies and services	34,378	41,297	39,591	31,366	28,968	30,068	33,637
Accommodation	2,084	2,476	1,529	2,249	2,249	2,249	2,249
Depreciation and amortisation	4,836	4,738	4,738	5,463	5,463	5,463	5,463
Other expenses	16,230	17,612	14,597	55,976	51,976	51,976	51,976
TOTAL COST OF SERVICES.....	167,908	197,270	192,655	235,333	236,728	236,222	240,458
Income							
Sale of goods and services	225	220	220	14,159	14,744	15,354	15,990
Regulatory fees and fines.....	75,656	78,818	79,150	104,918	110,307	114,772	118,671
Grants and subsidies	2,465	8,530	10,330	14,537	20,608	20,608	20,608
Other revenue	1,725	1,181	1,181	1,664	1,664	5,009	5,009
Total Income.....	80,071	88,749	90,881	135,278	147,323	155,743	160,278
NET COST OF SERVICES.....	87,837	108,521	101,774	100,055	89,405	80,479	80,180
INCOME FROM STATE GOVERNMENT							
Service appropriations	81,376	80,394	69,937	92,765	97,836	89,503	90,377
Resources received free of charge	860	1,089	894	930	930	930	930
Royalties for Regions Fund ^(e)	-	-	-	5,510	5,510	5,520	5,000
TOTAL INCOME FROM STATE GOVERNMENT.....	82,236	81,483	70,831	99,208	104,276	95,953	96,307
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	(5,601)	(27,038)	(30,943)	(850)	14,871	15,474	16,127
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	(5,601)	(27,038)	(30,943)	(850)	14,871	15,474	16,127

(a) Full audited financial statements are published in the agency's Annual Report.

(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

(c) The Full Time Equivalents (FTEs) for 2007-08 Actual, 2008-09 Estimated Actual and 2009-10 Estimate are 1,014, 988 and 1,081 respectively.

(d) Refer Details of Controlled Grants and Subsidies table below for further information.

(e) Regional Infrastructure and Headworks Fund - \$0 (2007-08), \$0 (2008-09), \$0 (2008-09), \$5.5 million (2009-10), \$5.5 million (2010-11), \$5.5 million (2011-12), \$5.0 million (2012-13)

Details of Controlled Grants and Subsidies

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Aviation (Public Air) Subsidies.....	641	852	852	852	852	852	852
Community Police	695	695	820	820	695	695	695
Daddow Rd	153	12,800	-	-	-	-	-
Emergency Vehicle Insurance	367	120	120	120	120	120	120
Fare Subsidies (Pensioners).....	1,520	2,075	1,579	1,710	2,075	2,075	2,075
Fremantle Port Rail Service.....	3,081	1,000	4,500	4,500	-	-	-
LPG Subsidy Scheme	11,121	10,609	13,509	-	-	-	-
Marine Communications	439	454	454	469	469	469	469
Marine Safety	212	220	220	230	220	220	220
North Greenbushes Intermodal Terminal.....	-	1,287	-	1,287	-	-	-
North West Shipping Service	7,810	8,573	8,573	8,129	10,517	8,573	8,573
Oakajee Port and Rail Service	700	-	-	-	-	-	-
Other Grants and Subsidies	726	733	756	5,023	4,597	4,905	4,905
Country Age Pension Fuel Card	-	-	6,593	10,228	17,900	17,900	17,900
Perth Bicycle Network/Country Pathways	2,145	2,660	2,675	2,487	2,660	2,660	2,660
Public Transport Authority - Perth Parking Fees and CAT Replacement, CAT Depot and Service Extension.....	8,588	9,296	9,171	9,453	9,836	9,361	9,198
Regional Airports Development Scheme	730	4,740	5,200	7,510	7,450	7,460	6,940
Student Fare Concessions	1,383	1,472	1,056	1,381	1,472	1,472	1,472
Taxi User Subsidy Scheme	8,765	7,089	7,089	6,888	7,332	7,568	7,568
TravelSmart, Pedestrian Projects.....	130	138	167	146	138	138	138
TOTAL.....	49,206	64,813	63,334	61,233	66,333	64,468	63,785

BALANCE SHEET ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	25,371	9,137	9,657	19,892	3,828	4,367	8,759
Restricted cash	11,761	15,877	7,841	27,761	55,761	67,761	79,761
Receivables	3,412	3,361	3,332	3,413	3,413	3,413	3,413
Other.....	1,177	906	1,038	1,039	1,039	1,039	1,039
Total current assets	41,721	29,281	21,868	52,105	64,041	76,580	92,972
NON-CURRENT ASSETS							
Holding account receivables.....	32,518	20,551	20,551	43,841	51,177	58,513	65,849
Property, plant and equipment.....	22,688	26,017	27,122	15,323	11,359	7,895	4,931
Intangibles.....	20,933	31,196	31,159	29,513	30,999	31,985	32,471
Other.....	2,048	2,048	1,985	19,210	23,504	27,565	30,222
Total non-current assets.....	78,187	79,812	80,817	107,887	117,039	125,958	133,473
TOTAL ASSETS.....	119,908	109,093	102,685	159,992	181,080	202,538	226,445
CURRENT LIABILITIES							
Employee provisions.....	9,408	6,394	6,394	10,408	10,408	10,408	10,408
Payables	2,565	1,600	2,600	2,565	2,565	2,565	2,565
Other.....	2,098	4,241	2,662	2,792	3,057	3,322	3,587
Total current liabilities.....	14,071	12,235	11,656	15,765	16,030	16,295	16,560
NON-CURRENT LIABILITIES							
Employee provisions.....	2,909	2,909	2,490	6,402	8,274	10,146	12,018
Other.....	-	-	3,179	-	-	-	-
Total non-current liabilities	2,909	2,909	5,669	6,402	8,274	10,146	12,018
TOTAL LIABILITIES.....	16,980	15,144	17,325	22,167	24,304	26,441	28,578
EQUITY							
Contributed equity ^(c)	39,049	56,152	52,424	105,739	109,819	113,666	119,309
Accumulated surplus/(deficit)	63,879	37,797	32,936	32,086	46,957	62,431	78,558
Total equity.....	102,928	93,949	85,360	137,825	156,776	176,097	197,867
TOTAL LIABILITIES AND EQUITY	119,908	109,093	102,685	159,992	181,080	202,538	226,445

(a) Full audited financial statements are published in the agency's Annual Report.

(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

(c) Contributed equity consists of Distributed Equity and Capital Contribution.

CASHFLOW STATEMENT ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	75,296	74,034	63,721	85,430	90,501	82,168	83,042
Capital appropriation	12,660	4,907	857	3,396	1,094	861	2,657
Royalties for Regions Fund ^(c)	-	-	-	5,510	5,510	5,520	5,000
Net cash provided by State Government.....	87,956	78,941	64,578	94,336	97,105	88,549	90,699
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(58,682)	(64,497)	(67,030)	(76,099)	(79,602)	(79,861)	(81,211)
Grants and subsidies	(49,206)	(64,813)	(63,334)	(61,233)	(66,333)	(64,468)	(63,785)
Supplies and services	(32,370)	(39,036)	(34,383)	(29,430)	(27,032)	(28,132)	(31,701)
Accommodation	(2,084)	(263)	(2,439)	(2,249)	(2,249)	(2,249)	(2,249)
Other payments	(17,015)	(20,997)	(15,853)	(52,982)	(52,982)	(52,982)	(52,982)
Receipts							
Regulatory fees and fines.....	75,656	78,818	79,150	104,918	110,307	114,772	118,671
Grants and subsidies	2,465	8,530	10,330	14,537	20,608	20,608	20,608
Sale of goods and services	12,052	14,009	14,009	14,159	14,744	15,354	15,990
Other receipts	1,725	1,181	1,181	1,664	1,664	5,009	5,009
Net cash from operating activities.....	(67,459)	(87,068)	(78,369)	(91,525)	(80,875)	(71,949)	(71,650)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(10,242)	(8,107)	(5,843)	(7,319)	(4,294)	(4,061)	(2,657)
Net cash from investing activities.....	(10,242)	(8,107)	(5,843)	(7,319)	(4,294)	(4,061)	(2,657)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(3,059)	-	-	-	-	-	-
Net cash from financing activities.....	(3,059)	-	-	-	-	-	-
Cash balance transferred from/(to) General Government.....	-	-	-	34,663	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	7,196	(16,234)	(19,634)	30,155	11,936	12,539	16,392
Cash assets at the beginning of the reporting period	29,936	41,248	37,132	17,498	47,653	59,589	72,128
Cash assets at the end of the reporting period.....	37,132	25,014	17,498	47,653	59,589	72,128	88,520

(a) Full audited financial statements are published in the agency's Annual Report.

(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

(c) Regional Infrastructure and Headworks Fund - \$0 (2007-08), \$0 (2008-09), \$0 (2008-09), \$5.5 million (2009-10), \$5.5 million (2010-11), \$5.5 million (2011-12), \$5.0 million (2012-13)

DETAILS OF ADMINISTERED TRANSACTIONS

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
INCOME							
Taxation							
Conservancy Fees	279	306	306	318	329	340	352
Motor Vehicle Licence Fees	408,433	431,836	431,836	455,279	478,240	504,386	527,775
Motor Vehicle Recording Fees	34,007	40,204	40,204	41,064	42,789	44,586	46,459
Fines							
Speed and Red Light Fines	66,145	71,385	71,385	71,385	106,585	119,885	119,885
Final Demand Fees	1,463	1,200	1,200	1,200	1,200	1,200	1,200
Plate and Transfer Infringements	6,119	5,200	5,200	5,900	5,959	6,019	6,079
Other							
Motor Drivers' Licences	31,318	44,694	34,757	32,437	33,800	35,219	36,698
Firearm Licence Fees	3,141	2,986	2,986	3,088	3,204	3,320	3,320
Dealer Plates Annual Fees	228	247	247	195	203	212	221
Other Revenue	9,647	-	-	-	-	-	-
TOTAL INCOME.....	560,780	598,058	588,121	610,866	672,309	715,167	741,989
EXPENSES							
Other							
Other Expenses	1,293	-	-	-	-	-	-
Payments to Consolidated Account	556,689	591,065	582,454	610,866	672,167	724,350	741,489
TOTAL EXPENSES.....	557,982	591,065	582,454	610,866	672,167	724,350	741,489

NET APPROPRIATION DETERMINATION

A determination by the Treasurer, pursuant to Section 23 of the *Financial Management Act 2006*, provides for the retention of the following cash receipts by the Department:

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000
Boat Registration Fees	8,547	8,842	9,134	11,617
Marine Examinations	155	175	175	223
Motor Drivers	14,654	14,986	14,968	15,457
Motor Vehicle Plates	9,675	11,473	11,036	13,294
Motor Vehicles	15,869	21,538	21,975	21,407
Other Receipt	555	402	402	602
Proof of Age Card	304	243	261	308
Recoup for Services Provided	11,827	13,789	13,789	13,939
Temporary Permits	372	451	450	504
TOTAL.....	61,958	71,899	72,190	77,351

The moneys received and retained are to be applied to the Department's services as specified in the Budget Statements.

COMMISSIONER OF MAIN ROADS

PART 7 - MINISTER FOR TRANSPORT; DISABILITY SERVICES

DIVISION 34

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 40 Net amount appropriated to deliver services	177,586	169,045	191,487	179,494	195,815	204,296	205,743
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	319	328	328	337	347	357	368
- Road Traffic Act 1974	277,165	328,990	323,549	382,732	362,177	412,173	461,907
Total appropriations provided to deliver services	455,070	498,363	515,364	562,563	558,339	616,826	668,018
CAPITAL							
Item 131 Capital Appropriation ^(a)	342,265	344,839	355,889	277,191	125,075	91,947	31,363
Amount Authorised by Other Statutes							
- Road Traffic Act 1974	137,872	107,046	112,487	76,647	120,163	96,313	69,968
TOTAL APPROPRIATIONS	935,207	950,248	983,740	916,401	803,577	805,086	769,349
EXPENSES							
Adjusted Total Cost of Services ^(b)	1,296,771	1,356,680	1,500,231	1,340,340	1,175,450	1,194,340	1,246,956
Adjusted Net Cost of Services ^(c)	981,547	1,147,104	1,202,592	1,061,974	909,304	896,104	900,372
CASH ASSETS ^(d)	289,500	191,189	158,464	107,365	95,661	117,430	103,700

- (a) Capital Appropriations includes funding for loan repayments consisting of: \$32.6 million in 2007-08, \$6.7 million in 2008-09, \$5.3 million in 2009-10, and \$5 million thereafter.
- (b) Total Cost of Services excludes retired non-current fixed assets expense and income/expenditure relating to non-current fixed assets transferred from/to local authorities. This accounts for the difference between the figure in the Income Statement and that shown in the Appropriations, Expenses and Cash Assets and the Services Summary tables.
- (c) Represents total cost of services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (d) As at 30 June each financial year.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2008-09 Budget to Parliament on 8 May 2008 are outlined below.

	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Election Commitments					
Ranford Road Duplication (Local Road)	-	600	4,400	-	-
Western Australian Community Crime Prevention Program (Anti-Hoon Initiatives)	500	500	500	500	-
Media and Marketing, Advertising and Consultants Savings	(91)	(181)	(181)	(181)	(181)

	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
3% Efficiency Dividend					
Maintenance and Minor Works	(1,541)	(6,939)	(7,438)	(8,419)	(9,428)
Management and Professional Consultants.....	(1,075)	(1,075)	(1,075)	(1,075)	(1,075)
Staff Training and Development	(645)	(1,000)	(1,000)	(1,000)	(1,000)
Principal Controlled Insurance	(590)	(100)	(100)	(100)	(100)
Reduce Non-core FTEs through natural attrition.....	(150)	(1,350)	(1,350)	(1,350)	(1,350)
Technical Services	(750)	(750)	(750)	(750)	(750)
<i>Total Savings</i>	<i>(4,751)</i>	<i>(11,214)</i>	<i>(11,713)</i>	<i>(12,694)</i>	<i>(13,703)</i>

RESOURCE AGREEMENT

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Minister, Accountable Authority and Treasurer under Part 3, Division 5 of the *Financial Management Act 2006*.

OUTCOMES, SERVICES AND KEY PERFORMANCE INFORMATION

Relationship to Government Goals

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the agency's services and desired outcomes, and the government goal it contributes to. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Goals	Desired Outcomes	Services
Outcomes-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	A safe road environment.	1. Road Safety
	Reliable and efficient movement of people and goods.	2. Road System Management 3. Road Efficiency Improvements
Stronger Focus on the Regions: Greater focus on service delivery, infrastructure investment and economic development to improve the overall quality of life in remote and regional areas.	A well maintained road network.	5. Road Network Maintenance
State Building – Major Projects: Building strategic infrastructure that will create jobs and underpin Western Australia's long-term economic development.	Facilitate economic and regional development.	6. Infrastructure for State Development
Social and Environmental Responsibility: Ensuring that economic activity is managed in a socially and environmentally responsible manner for the long-term benefit of the State.	Improved community access and roadside amenity.	4. Infrastructure for community access

Service Summary

Expense	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
1. Road Safety	81,491	145,995	173,393	117,440	38,827	32,426	34,360
2. Road System Management	76,335	86,573	81,534	90,961	82,505	86,809	87,862
3. Road Efficiency Improvements	157,679	202,894	233,531	256,981	282,236	218,820	239,277
4. Infrastructure for Community Access	105,139	39,016	85,767	32,489	25,918	19,960	13,151
5. Road Network Maintenance	450,018	482,123	473,216	491,316	511,113	547,202	576,948
6. Infrastructure for State Development	426,109	400,079	452,790	351,153	234,851	289,123	295,358
Total Cost of Services	1,296,771	1,356,680	1,500,231	1,340,340	1,175,450	1,194,340	1,246,956

Significant Issues Impacting the Agency

- Historically, due to the availability of natural road building materials and lighter traffic loads, pavements on Western Australian's urban freight routes have been constructed with thinner asphalt that cost less to construct than in some other states. With traffic volumes increasing and natural materials being less available it will be necessary to construct thicker pavements on some urban freight routes. These pavements will deliver a lower whole of life cost at an initial higher capital cost.
- Negotiations between State and Local Government for allocation of State road funds to Local Government will commence during 2009. The current agreement, which expires on 30 June 2010, provides for 27 per cent of motor vehicle licence fee collections to be allocated to local roads.
- The Government is considering Main Roads' proposals to replace the existing long-term maintenance network contracts with seven Integrated Services Arrangements during the period May 2010 to 2012. The new arrangements have been designed to deliver a more effective and efficient asset management and maintenance service.
- Developers are seeking increased access to Forrest Highway (formerly the southern component of New Perth Bunbury Highway), which could potentially decrease spacing between interchanges and result in more traffic conflict, increased congestion and reduced safety levels. Main Roads is working with relevant agencies to finalise an access strategy for consideration by Government.
- Government is undertaking a study on the impacts of the proposed extension of Roe Highway to Stock Road and intends to make recommendations on the adequacy of the existing and planned road network associated with the extension and the impact on feeder roads.
- Increased activity from the Australian Transport Council's National Transport Policy Framework, which includes the implementation of recommendations arising from the Council of Australian Governments, is likely. Initiatives under consideration are aimed at improving the efficiency and effectiveness of Australia's transport system include heavy vehicle productivity, regulation and possible future road pricing mechanisms.
- Delivery of programs arising from the Australian Government's Nation Building Programs including the Economic Stimulus Packages.

Outcomes and Key Effectiveness Indicators ^(a)

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Outcome: A safe road environment:					
Community satisfaction with road safety:					
- Overall safety of freeways - metro	93%	94%	94%	94%	
- Overall safety of highways - metro	94%	94%	94%	94%	
- Overall safety of highways - rural	91%	88%	90%	90%	
Blackspot location indicator ^(b)	n/a	12.13	12.15	12.51	
Outcome: Reliable and efficient movement of people and goods:					
Community satisfaction	96%	90%	90%	90%	
Road network permitted for use by heavy freight vehicles:					
- B-Doubles	97.6%	98%	98%	98%	
- Double road trains	97.3%	97%	98%	98%	
- Triple road trains	40.2%	41%	44%	44%	
Network configuration – roads ^(b)	n/a	86%	86%	86%	
Network configuration – bridges ^(b)					
- Strength ^(b)	n/a	94%	94%	94.2%	
- Width ^(b)	n/a	93.7%	93.8%	93.9%	
Outcome: Improved community access and roadside amenity:					
Percentage of the year that 100% of the Main Roads' state road network is available ^(b)	n/a	70%	77%	70%	
Community satisfaction with cycleways and pedestrian facilities ^(b)	n/a	>70%	70%	70%	
Percentage of amenities meeting the mandatory facilities criteria in Main Roads' Roadside Stopping Places policy ^(b)	n/a	30%	20%	20%	
Outcome: A well maintained road network:					
Smooth travel exposure	98.4%	98%	97%	97%	
Community satisfaction with road maintenance:					
- Metropolitan freeways ^(b)	n/a	>70%	70%	70%	
- Metropolitan highways ^(b)	n/a	>70%	70%	70%	
- Rural highways ^(b)	n/a	>70%	70%	70%	
Preventative maintenance indicator ^(b)	n/a	77%	76%	77%	
Performance of traffic signals, road lighting and emergency phones					
- Availability of traffic signals	99.18%	99.60%	99.12%	99.60%	
- Availability of lighting	99.22%	99.30%	99.38%	99.30%	
- Availability of emergency telephones	99.99%	99.99%	99.98%	99.99%	
- Reliability of traffic signals	0.27	0.25	0.36	0.60	
- Reliability of lighting	0.38	0.25	0.29	0.60	
- Reliability of emergency telephones	0.04	0.25	0.04	0.10	
Outcome: Facilitate economic and regional development:					
Return on construction expenditure	4.03	3.5	3.9	2	

(a) Further detail in support of the key effectiveness indicators is provided in the agency's Annual Report.

(b) n/a appears where this is a new KPI and where no benchmark or history existed when the KPI was established.

Services and Key Efficiency Indicators

1: Road Safety

The objective of this program is to reduce the road fatality rate to be the lowest in Australia, minimise road factors contributing to road trauma and reduce the serious crash injury rate. Works undertaken have safety as the foremost factor and include the State and National Black Spot programs and various projects that improve safety on the existing road network including passing lanes.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 81,491	\$'000 145,995	\$'000 173,393	\$'000 117,440	1
Less Income.....	12,625	19,622	17,651	16,525	
Net Cost of Service ^(a)	68,866	126,373	155,742	100,915	
Employees (Full Time Equivalents).....	41	50	52	52	
Efficiency Indicators.....					
Percentage of Projects Completed on Time	n/a	90%	85%	90%	
Percentage of Projects Completed on Budget	n/a	90%	91%	90%	

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

Explanation of Significant Movements

(Notes)

- The expected decrease in Total Cost of Services between the 2008-09 Estimated Actual and 2009-10 Budget Target is mainly due to expenditure being brought forward for works associated with Muirs Road and Reid Highway extension, and a reduction in Safer Roads funding.

2: Road System Management

The objective of this program is to optimise real time management of the network, provide traveller information and support delivery of projects. Works include activities of the traffic operation centre, heavy vehicle operation activities, metropolitan and regional road asset management, road user and customer services, emergency telephones, street lighting, intelligent transport systems, traffic signals and road advisory services to the community.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 76,335	\$'000 86,573	\$'000 81,534	\$'000 90,961	1
Less Income.....	1,552	6,094	4,668	956	2
Net Cost of Service ^(a)	74,783	80,479	76,866	90,005	
Employees (Full Time Equivalents).....	583	578	566	562	
Efficiency Indicators					
Average Cost of Network Management per Million Vehicle Kilometres Travelled	n/a	\$3,378	\$3,354	\$3,493	

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

Explanation of Significant Movements

(Notes)

- The expected increase in Total Cost of Services between the 2008-09 Estimated Actual and 2009-10 Budget Target is due to increased level of additional minor improvement works.
- The decreased Income between the 2008-09 Estimated Actual and 2009-10 Budget Target is due a reduced amount of sundry income expected in 2009-10.

3: Road Efficiency Improvements

The objective of this program is to improve the efficiency, capacity and utilisation of the existing road network. Improvements include providing a road of improved standard through geometric improvements, road widening, bridge strengthening and intersection improvements including roundabouts and interchanges.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 157,679	\$'000 202,894	\$'000 233,531	\$'000 256,981	1
Less Income.....	37,376	27,944	43,229	116,012	1
Net Cost of Service ^(a)	120,303	174,950	190,302	140,969	
Employees (Full Time Equivalentents)	66	78	77	76	
Efficiency Indicators					
Percentage of Projects Completed on Time	n/a	90%	85%	90%	
Percentage of Projects Completed on Budget	n/a	90%	91%	90%	

- (a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

Explanation of Significant Movements

(Notes)

- The expected increase in both Income and Total Cost of Services between the 2008-09 Estimated Actual and 2009-10 Budget Target is due to an increase in works associated with significant joint Commonwealth/State projects.

4: Infrastructure for Community Access

The objective of this program is to provide infrastructure that will improve personal mobility and community access, including increasing the quality of access where appropriate, providing levels of access commensurate with community expectations and meeting minimal levels of appropriate access. Works include providing access to remote communities, pedestrian facilities, cyclist facilities, vulnerable road users' facilities, road user amenities, public transport integration and improvements such as new bridges to address flood closures.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service ^(a)	105,139	39,016	85,767	32,489	1
Less Income.....	9,465	3,342	8,490	3,524	
Net Cost of Service ^(a)	95,674	35,674	77,277	28,965	
Employees (Full Time Equivalents)	44	37	33	33	
Efficiency Indicators					
Percentage of Projects Completed on Time	n/a	90%	85%	90%	
Percentage of Projects Completed on Budget	n/a	90%	91%	90%	

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

Explanation of Significant Movements

(Notes)

1. Accelerated works on Goldfields Highway, Fletcher Creek Bridge and Telegraph Creek Bridge during 2008-09 resulted in higher than anticipated 2008-09 Estimated Actual and as such significant decreases in 2009-10 Budgeted Expenditure.

5: Road Network Maintenance

The objective of this program is to maintain the existing road and bridge network by maximising asset life and minimising whole of life costs. Works include routine maintenance (crack patching, patching of potholes, control of declared plants and weeds, graffiti removal and litter collections), periodic maintenance (repairs to pavements, culverts and bridge decks, sealing and re-sealing of road surfaces and replacing line markings), rehabilitation works where the primary reason for the works is due to pavement failure and managing and administering various Term Network Contracts and the Traffic Control Infrastructure (Maintenance) Contract.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 450,018	\$'000 482,123	\$'000 473,216	\$'000 491,316	
Less Income.....	62,751	35,231	59,547	60,842	
Net Cost of Service ^(a)	387,267	446,892	413,669	430,474	
Employees (Full Time Equivalents)	146	141	150	150	
Efficiency Indicators					
Average Cost of Road Network Maintenance per Lane Kilometre of Network	\$4,937	\$4,900	\$5,122	\$4,900	

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

6: Infrastructure for State Development

The objective of this program is to expand the road network in accordance with Government transport and land use strategies that will facilitate the economic and regional development of the State. These works are mostly aimed at increasing the capacity of the road network through the addition of new links, which include town bypasses.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 426,109	\$'000 400,079	\$'000 452,790	\$'000 351,153	1
Less Income.....	191,455	117,343	164,054	80,507	1
Net Cost of Service ^(a)	234,654	282,736	288,736	270,646	
Employees (Full Time Equivalents)	112	127	124	123	
Efficiency Indicators					
Percentage of Projects Completed on Time	n/a	90%	85%	90%	
Percentage of Projects Completed on Budget	n/a	90%	91%	90%	

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

Explanation of Significant Movements

(Notes)

- The expected increase in both Income and Total Cost of Services between the 2008-09 Budget and 2008-09 Estimated Actual is mainly due to works brought forward from 2009-10 for the early completion of the New Perth Bunbury Highway, and outcomes of the Capital Works Audit, resulting in a decrease to 2009-10 Budget.

ASSET INVESTMENT PROGRAM

The planned asset investment expenditure for Main Roads in 2009-10 totals \$653.7 million, comprising the purchase of operating assets (\$4.5 million) and roadworks (\$649.2 million) that include improvements to and expansion of the road network in the State.

Road improvements are aimed at increasing the efficiency of the existing road network as part of an integrated transportation system, including cyclist and pedestrian facilities, paying particular attention to:

- safety, minimising crashes and injuries associated with road use;
- travel demand management, ensuring efficient freight and commuter traffic movement;
- level of service management, insuring the service level provided by the road network consistently conforms to the needs of all road users, the community and the government;
- integration of modes, integrating road use with public and other transport modes; and
- road environment, ensuring that road use is environmentally sensitive.

The expansion of the road network focuses on meeting the transportation needs of future generations where they cannot be met by improving the existing network. This involves planning and construction of new roads to extend the existing road network and major widening of existing roads.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
WORKS IN PROGRESS							
Armadale Road							
Anstey Road/Weld Street to Kwinana Freeway	94,054	123	110	-	-	-	-
Tapper Road Intersection	2,500	2,000	2,000	500	-	-	-
Brookton Highway							
Corrigin to Hyden - widen	25,562	23,588	5,320	-	-	1,974	-
Bussell Highway							
Vasse to Margaret River - construct passing lanes and improve intersections	17,260	11,800	4,980	5,460	-	-	-
Coolgardie - Esperance Highway							
Esperance Port Access ^(a)	125,553	878	860	1,343	2,900	7,613	39,968
Daddow Road							
Kewdale Industrial Area Access - construct bridge over railway	19,525	15,225	14,700	4,300	-	-	-
Dampier Highway							
Balmoral Road East to Balmoral Road West (Stage 1) construct second carriageway ^(a)	26,257	18,172	7,111	8,085	-	-	-
Cinders Road to Burrup Peninsula Road (Stage 2) construct second carriageway ^(a)	7,579	305	305	906	2,828	3,540	-
Seven Mile Access to Bayley Avenue (Stage 3) - upgrade intersections ^(a)	19,299	170	170	5,000	7,243	5,660	1,226
Derby Highway							
Derby Spur - Widen and Seal	24,340	17,627	4,134	6,713	-	-	-
Eyre Highway							
Balladonia East	31,895	30,750	1,970	1,145	-	-	-
Heartbreak Ridge - reconstruct	35,304	34,144	1,124	1,150	10	-	-
Geraldton-Mt Magnet Road							
Geraldton Southern Transport Corridor Stage 2 - construct North West Coastal Highway to Geraldton Airport	52,263	20,832	19,793	30,000	1,431	-	-
Gibb River Road							
Derby - Gibb River - Wyndham - improve formation, and gravel	52,934	22,662	3,126	1,875	2,676	4,105	2,461
Great Eastern Highway							
Kooyong Road to Tonkin Highway Stage 1- construct dual carriageway ^(a)	224,978	15,560	15,544	50,951	36,458	51,659	51,484
Roe Highway - construct interchange ^(a)	122,800	5,907	794	10,000	45,043	1,850	-
Great Northern Highway							
Big Mabel Creek Bridge	19,773	15,273	12,513	4,500	-	-	-
Bow River Section - reconstruct	48,853	36,853	28,820	10,500	1,500	-	-
Fitzroy Crossing to Gogo - planning and design	5,590	3,706	1,571	1,884	-	-	-
Fletchers Creek Bridge	28,800	22,000	17,930	6,600	200	-	-
Roe Highway to Muchea - reconstruct, widen and construct passing lanes	68,617	36,092	7,645	26,525	6,000	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Muecha to Wubin reconstruct and widen various sections - construct passing lanes	101,506	88,406	53,513	13,100	-	-	-
Pinga Street and Wallwork Road - improve intersections	12,278	5,836	5,592	6,442	-	-	-
Port Hedland Upgrade ^(a)	194,435	749	495	5,000	32,047	67,092	56,480
Telegraph Creek Bridge.....	17,100	13,500	10,438	3,500	100	-	-
Greenlands Road							
New Perth Bunbury Highway to South Western Highway – reconstruct	14,733	9,733	9,613	5,000	-	-	-
Indian Ocean Drive							
Lancelin to Cervantes Stage 2 - reconstruct	115,304	30,304	27,170	29,000	35,000	21,000	-
Mandurah Entrance Road - Construct	129,930	16,500	16,500	113,430	-	-	-
Muir's Road							
Northern Bypass - Denmark Mount Barker Road - widen and seal	16,926	11,926	6,787	5,000	-	-	-
Nyamup to Strachan - widen	12,904	9,904	1,705	3,000	-	-	-
New Perth-Bunbury Highway - Construct	705,633	683,633	271,030	22,000	-	-	-
Perth-Bunbury Highway							
Bunbury Outer Ring Road Stage One - construct ^(a)	59,470	734	643	5,182	11,601	40,067	1,886
Bunbury Port Access Road Stage Two - construct and seal including bridges ^(a)	65,774	2,000	2,000	537	7,425	32,583	22,222
Bunbury Port Access Stage One - construct and seal including bridges	62,960	25,726	23,539	34,632	2,602	-	-
Queen Victoria Street							
Fremantle Traffic Bridge replacement – planning, design and preliminary works ^(a)	46,285	1,745	595	1,308	5,000	33,577	4,655
Reid Highway							
Alexander Drive Interchange ^(a)	72,410	910	853	10,000	35,900	25,600	-
Extension - West Swan Road to Great Northern Highway	101,395	74,752	67,758	20,843	5,800	-	-
Roe Highway							
Midland/Kewdale to Fremantle Port – Intelligent Transport System (ITS) management system ^(a)	14,324	150	150	4,028	7,100	3,046	-
South Western Highway							
Balingup to Greenbushes - Widen and construct passing lanes.....	31,426	3,596	3,518	2,050	-	-	600
Donnybrook to Greenbushes	12,478	12,378	986	100	-	-	-
Hester Hill to Bridgetown.....	5,161	5,071	4,001	90	-	-	-
Tonkin Highway							
Abernethy Road Interchange Stage 2 ^(a)	16,319	143	-	-	-	672	9,642
Leach Highway to Roe Highway - construct additional lanes ^(a)	33,087	500	500	250	725	7,577	11,682
Mills Road West to Thomas Road.....	154,824	150,824	197	-	4,000	-	-
Various Roads							
Heavy Vehicle Safety and Productivity Program.....	5,405	1,530	1,530	3,875	-	-	-
Victoria Highway							
Kununurra Heavy Haulage Route - planning and design.....	9,001	5,939	4,030	3,062	-	-	-
Wanneroo Road							
Wellaway Street to Joondalup Drive - construct dual carriageway	28,078	6,793	5,751	6,784	14,501	-	-
York-Merredin Road - widen and seal	6,203	5,450	-	-	-	753	-
COMPLETED WORKS							
Albany Ring Road							
Stage 2 South West Highway to Port	1,204	1,204	95	-	-	-	-
Stage 3 Albany Highway to South Western Highway	5,632	5,632	786	-	-	-	-
Broome Highway							
Broome Bypass - construct Stages 1 to 3	28,095	28,095	804	-	-	-	-
Buildings and Equipment - 2008-09 Program.....	4,371	4,371	4,371	-	-	-	-
Bussell Highway							
Bussell Highway/Caves Road - upgrade intersection	3,594	3,594	2,341	-	-	-	-
Canning Highway							
Traffic Control Signal Signs at Ardross Street Intersection.....	250	250	250	-	-	-	-
Capitalised Operational Costs - 2008-09 Program.....	34,765	34,765	34,765	-	-	-	-
Eyre Highway - Caiguna East/Balladonia - reconstruct.....	46,855	46,855	2,423	-	-	-	-
Freight Network Review - various highways.....	1,458	1,458	85	-	-	-	-
Goldfields Highway - Lake Raeside Section - reconstruct	24,151	24,151	22,249	-	-	-	-
Graham Farmer Freeway - design and construct.....	387,310	387,310	83	-	-	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Great Eastern Highway							
Clackline Bypass - construct.....	9,500	9,500	327	-	-	-	-
Hines Hill to Merredin.....	1,249	1,249	1,249	-	-	-	-
Sawyers Valley to the Lakes.....	2,251	2,251	1,280	-	-	-	-
Wooroloo to Northam - construct passing lanes	3,500	3,500	27	-	-	-	-
Great Northern Highway							
Elvire to Sandy Creek - reconstruct and widen	1,860	1,860	1,054	-	-	-	-
Indian Ocean Drive							
Lancelin to Cervantes - Stage 1.....	25,113	25,113	2,906	-	-	-	-
Karratha-Tom Price Link Road - Stage 2 - construct and seal.....	151,390	151,390	3,757	-	-	-	-
Kwinana Freeway							
Freight Management System	633	633	633	-	-	-	-
Interchanges and Extension - design and construct.....	160,583	160,583	1,384	-	-	-	-
Leach Highway to Roe Highway.....	350	350	350	-	-	-	-
Leach Highway							
Orrong Road - construct interchange.....	26,073	26,073	20	-	-	-	-
Minor Works (includes Black Spot and Urgent Minor Works) - 2008-09 Program.....	74,150	74,150	74,150	-	-	-	-
Mitchell Freeway							
Hodges Drive to Burns Beach Road - construct.....	161,080	161,080	22,236	-	-	-	-
Muir's Road							
Mount Barker Northern Bypass - construct.....	13,294	13,294	155	-	-	-	-
North West Coastal Highway							
Carnarvon Flood Mitigation Works	9,787	9,787	2,541	-	-	-	-
Port Beach Road							
North Fremantle - realign and construct.....	2,328	2,328	49	-	-	-	-
Roe Highway							
Nicholson Road to South Street - construct and seal	32,573	32,573	56	-	-	-	-
South Street to Kwinana Freeway - construct and seal including bridges.....	75,762	75,762	489	-	-	-	-
Welshpool Road to Nicholson Road - construct and seal	77,277	77,277	9	-	-	-	-
South Western Highway							
Wokalup to Roelands - widen and construct passing lanes.....	3,309	3,309	29	-	-	-	-
Various National Roads							
Network Intelligence, Freight Travel Information and Floodway Road Closure Monitoring	2,200	2,200	2,045	-	-	-	-
Yabulu Ravensthorpe Nickel Project							
Ravensthorpe to Hopetoun Road - reconstruct and widen	725	725	341	-	-	-	-
South Coast Highway - various improvement works.....	10,133	10,133	1,186	-	-	-	-
NEW WORKS							
Buildings and Equipment							
2009-10 Program	4,525	-	-	4,525	-	-	-
2010-11 Program	4,720	-	-	-	4,720	-	-
2011-12 Program	6,643	-	-	-	-	6,643	-
2012-13 Program	6,863	-	-	-	-	-	6,863
Capitalised Operational Costs							
2009-10 Program	34,212	-	-	34,212	-	-	-
2010-11 Program	34,456	-	-	-	34,456	-	-
2011-12 Program	34,506	-	-	-	-	34,506	-
2012-13 Program	35,096	-	-	-	-	-	35,096
Dampier Highway							
Balmoral Road West to Seven Mile Access (Stage 4) - construct second carriageway	59,512	-	-	10,403	43,330	5,779	-
Hopetoun to Bremer Bay Road							
Stage 1 - Hamersley Drive to Hamersley Inlet and Bremer Bay to Point Ann ^(b)	40,000	-	-	10,000	10,000	-	-
Kwinana Freeway							
ITS Management System.....	16,838	-	-	-	-	3,045	8,178
Leach Highway							
High Street Improvements	67,986	-	-	-	-	-	2,686
Minor Works (includes Black Spot and Urgent Minor Works)							
2009-10 Program	81,882	-	-	81,882	-	-	-
2010-11 Program	54,845	-	-	-	54,845	-	-
2011-12 Program	53,993	-	-	-	-	53,993	-
2012-13 Program	53,409	-	-	-	-	-	53,409
Nation Building Program 1.....	134,681	-	-	-	3,335	16,241	62,350

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Perth-Bunbury Highway							
Eelup Rotary Upgrade	110,281	-	-	15,000	15,000	-	-
Roe Highway Extension ^(c)	551,388	-	-	8,881	65,911	49,472	41,684
Tonkin Highway							
Congestion Management System	6,967	-	-	-	-	725	3,045
Kewdale Road Interchange ^(c)	64,789	-	-	671	2,443	4,114	27,745
Leach Highway Grade Intersection ^(c)	49,804	-	-	-	-	1,522	7,994
Roe Highway Interchange ^(c)	6,206	-	-	-	-	-	725
Various Roads							
Project Development	2,500	-	-	2,500	-	-	-
SCATS (Sydney Coordinated Adaptive Traffic Systems) Communication Replacement	10,000	-	-	10,000	-	-	-
Total Cost of Asset Investment Program	6,007,992	2,885,204	853,939	653,724	502,130	484,408	452,081
FUNDED BY							
Capital Appropriation ^(d)			461,646	348,542	240,238	183,260	96,331
Asset Sales			16,925	14,300	2,000	2,000	2,000
Commonwealth Grants			191,452	197,842	209,403	252,591	306,843
Drawdowns from the Holding Account			37,269	42,274	42,979	46,907	46,907
Internal Funds and Balances			146,647	50,766	7,510	(350)	-

- (a) Construction is yet to commence. Funds allocated in 2009-10 and earlier are for preconstruction activity only, this may include planning, design and/or land acquisition.
- (b) The Hopetoun to Bremer Bay Road project shows funding for the State's contribution to the project's total cost. The remainder represents the Commonwealth contribution, which is subject to negotiations with the Commonwealth Government.
- (c) The Roe Highway extension project includes both State and Commonwealth funding and is subject to the relevant approvals processes. The Commonwealth component is the subject of negotiation with the Commonwealth Government.
- (d) The capital appropriation provided differs from that shown on the Appropriation, Expenses and Cash Assets table, due to equity funds provided for repayment of borrowings.

FINANCIAL STATEMENTS

Income Statement

Expenses

The Total Cost of Services for 2009-10 shows a decrease from 2008-09 Estimated Actual. This is mostly due to a decrease in Services and Contracts expense arising from reduced works in 2009-10 due to the early completion of the New Perth Bunbury Highway in 2008-09 and the outcomes of the Capital Works Audit.

Income

The increase in Income between the 2008-09 Estimated Actual and 2009-10 Budget is mainly due to the accrual transfer of the Mt Magnet – Sandstone – Leinster Road from Local Government to Main Roads.

Total Cost of Services includes retired non-current fixed assets expense and income/expenditure relating to non-current fixed assets transferred from/to Local Government authorities. This accounts for the difference between the figure in the Income Statement and that shown in the Appropriations, Expenses and Cash Assets and the Services Summary tables.

Balance Sheet

Cash Resources includes a lump sum received from the Commonwealth Government that has been invested until required to fund approved projects. The decrease in the Cash Resources is due to the withdrawal of funds to meet these commitments.

Most of the increase in Total Equity can be attributed to new capitalised road works and the revaluation of Infrastructure assets.

Cashflow Statement

The difference between cash held at the end of the period between 2008-09 Actual and 2009-10 Budget reflects the reduced program of work scheduled for 2009-10.

INCOME STATEMENT ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(c)	92,607	96,955	94,831	97,757	101,507	105,633	106,464
Grants and subsidies ^(d)	94,499	106,864	119,557	102,544	105,629	100,889	129,331
Supplies and services	892,688	922,489	1,069,268	911,739	731,050	743,678	758,031
Accommodation	13,756	13,113	13,113	13,526	13,646	14,041	14,335
Depreciation and amortisation	174,825	188,884	175,097	186,510	195,416	201,746	210,447
Other expenses	132,048	83,485	95,708	59,584	53,743	48,058	51,841
TOTAL COST OF SERVICES	1,400,423	1,411,790	1,567,574	1,371,660	1,200,991	1,214,045	1,270,449
Income							
Sale of goods and services	24,901	6,152	15,823	9,875	9,501	9,075	9,075
Grants and subsidies	236,223	187,490	264,471	256,422	259,612	303,799	357,302
Other revenue ^(e)	209,922	189,754	147,745	270,969	22,574	5,067	3,700
Total Income	471,046	383,396	428,039	537,266	291,687	317,941	370,077
NET COST OF SERVICES	929,377	1,028,394	1,139,535	834,394	909,304	896,104	900,372
INCOME FROM STATE GOVERNMENT							
Service appropriations	455,070	498,363	515,364	562,563	558,339	616,826	668,018
Resources received free of charge	451	-	-	-	-	-	-
Liabilities assumed by the Treasurer ^(e)	-	1,980	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	455,521	500,343	515,364	562,563	558,339	616,826	668,018
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(473,856)	(528,051)	(624,171)	(271,831)	(350,965)	(279,278)	(232,354)
Extraordinary items ^(f)	724,538	742,202	849,643	649,199	497,410	477,765	445,218
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	250,682	214,151	225,472	377,368	146,445	198,487	212,864

- (a) Full audited financial statements are published in the agency's Annual Report.
- (b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.
- (c) The Full Time Equivalents (FTEs) for 2007-08 Actual, 2008-09 Estimated Actual and 2009-10 Estimate are 992, 1,002 and 996 respectively.
- (d) Refer Details of Controlled Grants and Subsidies table below for further information.
- (e) Following a change in accounting policy, effective from 31 December 2008, notional superannuation will no longer be recognised in the financial statements.
- (f) Extraordinary Items - Total value is capitalisation of road works.
- (g) Other revenue includes accrual income arising from road and land asset transfers from Local Government authorities.

Details of Controlled Grants and Subsidies ^(a)

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
State Road funds applied to road works on the Local Government road network - Capital	57,478	62,043	60,206	60,848	66,676	69,502	72,392
State Road funds applied to road works on the Local Government road network - Recurrent	53,835	54,603	56,390	62,077	62,449	66,682	70,107
TOTAL ^(b)	111,313	116,646	116,596	122,925	129,125 ^(c)	136,184 ^(c)	142,499 ^(c)

- (a) This table reflects the total funding to be applied to the Local Government road network. It includes funding directly expended on local authority road works by Main Roads and to this extent will not correspond with amounts disclosed in Grants and Subsidies in the Income Statement.
- (b) Yearly expenditures reflect the increased funding arising from higher Motor Vehicle Licence Fee collections.
- (c) Funding allocations included in the table for 2010-11, 2011-12 and 2012-13 assumes the conditions within the current Local Government agreement continue beyond the 30 June 2010 expiry.

BALANCE SHEET ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	288,275	38,338	157,239	106,140	94,436	116,205	102,475
Restricted cash	1,225	152,851	1,225	1,225	1,225	1,225	1,225
Holding account receivables	37,269	42,274	42,274	42,979	46,907	46,907	46,907
Receivables	31,357	14,339	35,474	29,567	23,613	21,641	20,970
Other	11,139	15,502	9,803	9,754	7,798	7,798	7,798
Assets held for sale	11,599	-	13,500	13,500	13,500	13,500	13,500
Total current assets	380,864	263,304	259,515	203,165	187,479	207,276	192,875
NON-CURRENT ASSETS							
Holding account receivables	846,023	946,675	932,888	1,028,147	1,125,980	1,227,493	1,337,707
Property, plant and equipment	35,474,937	29,532,563	37,120,176	38,705,882	40,071,436	41,411,962	42,780,102
Intangibles	870	264	750	640	740	670	700
Other	92,082	41,522	73,683	72,483	70,683	68,883	67,083
Total non-current assets	36,413,912	30,521,024	38,127,497	39,807,152	41,268,839	42,709,008	44,185,592
TOTAL ASSETS	36,794,776	30,784,328	38,387,012	40,010,317	41,456,318	42,916,284	44,378,467
CURRENT LIABILITIES							
Employee provisions	26,948	23,451	26,948	26,948	26,948	26,948	26,948
Payables ^(a)	35,235	26,229	36,260	33,575	29,505	29,796	30,855
Other	116,108	283,131	116,220	112,902	105,508	105,938	107,837
Total current liabilities	178,291	332,811	179,428	173,425	161,961	162,682	165,640
NON-CURRENT LIABILITIES							
Employee provisions	4,133	4,049	3,533	3,533	3,533	3,533	3,533
Borrowings	36,062	30,766	30,766	25,766	20,766	15,766	10,766
Other	587	706	587	587	587	587	587
Total non-current liabilities	40,782	35,521	34,886	29,886	24,886	19,886	14,886
TOTAL LIABILITIES	219,073	368,332	214,314	203,311	186,847	182,568	180,526
EQUITY							
Contributed equity	1,950,590	2,332,708	2,386,360	2,740,198	2,985,436	3,173,696	3,275,027
Accumulated surplus/(deficit)	10,242,486	10,116,053	10,467,958	10,845,326	10,991,771	11,190,258	11,403,122
Reserves	24,382,627	17,967,235	25,318,380	26,221,482	27,292,264	28,369,762	29,519,792
Total equity	36,575,703	30,415,996	38,172,698	39,807,006	41,269,471	42,733,716	44,197,941
TOTAL LIABILITIES AND EQUITY	36,794,776	30,784,328	38,387,012	40,010,317	41,456,318	42,916,284	44,378,467

(a) Full audited financial statements are published in the agency's Annual Report.

(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

CASHFLOW STATEMENT ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	320,097	355,437	386,225	424,325	413,599	468,406	510,897
Capital appropriation	480,137	451,885	468,376	353,838	245,238	188,260	101,331
Holding account drawdowns	32,470	37,269	37,269	42,274	42,979	46,907	46,907
Net cash provided by State Government.....	832,704	844,591	891,870	820,437	701,816	703,573	659,135
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(39,165)	(41,762)	(40,962)	(41,382)	(42,202)	(42,310)	(43,141)
Grants and subsidies	(86,858)	(106,864)	(119,557)	(102,544)	(105,629)	(100,889)	(129,331)
Supplies and services	(255,880)	(247,577)	(287,571)	(342,003)	(321,396)	(345,808)	(390,563)
Accommodation.....	(9,917)	(9,576)	(9,576)	(9,863)	(9,983)	(10,341)	(10,635)
Other payments	(128,140)	(101,762)	(147,161)	(118,499)	(109,994)	(112,403)	(114,307)
Receipts							
Grants and subsidies	227,844	187,490	264,471	256,422	259,612	303,799	357,302
Sale of goods and services	35,123	6,577	16,248	13,198	13,952	11,181	10,017
GST receipts.....	98,400	86,108	127,065	106,537	96,620	97,508	99,374
Other receipts	19,601	14,490	17,881	11,318	10,630	4,867	3,500
Net cash from operating activities.....	(138,992)	(212,876)	(179,162)	(226,816)	(208,390)	(194,396)	(217,784)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(732,369)	(746,573)	(853,939)	(653,724)	(502,130)	(484,408)	(452,081)
Proceeds from sale of non-current assets	33,278	17,000	16,925	14,300	2,000	2,000	2,000
Net cash from investing activities.....	(699,091)	(729,573)	(837,014)	(639,424)	(500,130)	(482,408)	(450,081)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(32,580)	(6,730)	(6,730)	(5,296)	(5,000)	(5,000)	(5,000)
Net cash from financing activities	(32,580)	(6,730)	(6,730)	(5,296)	(5,000)	(5,000)	(5,000)
NET INCREASE/(DECREASE) IN CASH HELD							
	(37,959)	(104,588)	(131,036)	(51,099)	(11,704)	21,769	(13,730)
Cash assets at the beginning of the reporting period	327,459	295,777	289,500	158,464	107,365	95,661	117,430
Cash assets at the end of the reporting period.....	289,500	191,189	158,464	107,365	95,661	117,430	103,700

(a) Full audited financial statements are published in the agency's Annual Report.

(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

**RECONCILIATION RELATING TO MAJOR FUNCTIONAL TRANSFERS
AND ACCOUNTING POLICY CHANGES**

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement.....	1,400,423	1,411,790	1,567,574	1,371,660	1,200,991	1,214,045	1,270,449
Adjustment for Notional Superannuation.....	-	(1,980)	-	-	-	-	-
Adjusted Total Cost of Services	1,400,423	1,409,810	1,567,574	1,371,660	1,200,991	1,214,045	1,270,449

DETAILS OF ADMINISTERED TRANSACTIONS

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
INCOME							
Taxation							
Permits - Oversize Vehicles and Loads.....	4,596	4,200	4,200	4,100	4,100	4,100	4,100
TOTAL INCOME.....	4,596	4,200	4,200	4,100	4,100	4,100	4,100
EXPENSES							
Receipts paid into Consolidated Account.....	4,596	4,200	4,200	4,100	4,100	4,100	4,100
TOTAL EXPENSES.....	4,596	4,200	4,200	4,100	4,100	4,100	4,100

PUBLIC TRANSPORT AUTHORITY OF WESTERN AUSTRALIA

PART 7 - MINISTER FOR TRANSPORT; DISABILITY SERVICES

DIVISION 35

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 41 Net amount appropriated to deliver services	595,425	633,157	657,257	703,369	749,351	801,766	856,529
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	374	384	387	404	421	439	457
Total appropriations provided to deliver services	595,799	633,541	657,644	703,773	749,772	802,205	856,986
CAPITAL							
Item 132 Capital Appropriation.....	129,704	56,677	84,681	58,501	56,921	57,935	55,300
TOTAL APPROPRIATIONS	725,503	690,218	742,325	762,274	806,693	860,140	912,286
EXPENSES							
Total Cost of Services.....	775,109	789,683	839,272	866,141	912,900	966,415	1,021,391
Net Cost of Services ^(a)	582,121	627,083	664,629	697,315	743,314	796,576	851,520
CASH ASSETS ^(b)	54,602	25,314	50,105	36,955	37,497	37,660	37,660

(a) Represents total cost of services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.

(b) As at 30 June each financial year.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2008-09 Budget to Parliament on 8 May 2008 are outlined below.

	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Election Commitments					
Provide Free Public Transport for Seniors, Aged Pensioners and Disability Pensioners	1,734	6,148	6,163	6,178	6,194
20 Year Transport Master Plan.....	500	3,000	2,500	-	-
Ellenbrook Public Transport Master Planning	-	-	-	-	10,000
Media and Marketing, Advertising and Consultants Savings.....	(249)	(498)	(498)	(498)	(498)
3% Efficiency Dividend					
Reduction in Labour and Administrative Costs	(4,048)	(6,760)	(6,566)	(7,242)	(7,479)
Service Realignment.....	-	(1,552)	(1,959)	(1,997)	(2,036)
<i>Total Savings</i>	<i>(4,048)</i>	<i>(8,312)</i>	<i>(8,525)</i>	<i>(9,239)</i>	<i>(9,515)</i>
Other					
Northbridge Link Planning	-	5,000	-	-	-

RESOURCE AGREEMENT

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Minister, Accountable Authority and Treasurer under Part 3, Division 5 of the *Financial Management Act 2006*.

OUTCOMES, SERVICES AND KEY PERFORMANCE INFORMATION**Relationship to Government Goals**

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the agency's services and desired outcomes, and the government goal it contributes to. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Goal	Desired Outcomes	Services
Outcomes-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	Accessible, reliable and safe public transport system.	1. Metropolitan and Regional Passenger Services 2. Country Passenger Rail and Road Coach Services 3. Regional School Bus Services
	Protection of the long-term functionality of the rail corridor and railway infrastructure.	4. Rail Corridor and Residual Freight Issues Management

Service Summary

Expense	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
1. Metropolitan and Regional Passenger Services.....	577,204	619,008	668,315	689,928	732,145	775,096	819,675
2. Country Passenger Rail and Road Coach Services.....	49,004	45,609	47,002	48,724	45,544	46,655	49,077
3. Regional School Bus Services.....	86,431	98,858	97,143	100,643	107,463	112,616	121,726
4. Rail Corridor and Residual Freight Issues Management	62,470	26,208	26,812	26,846	27,748	32,048	30,913
Total Cost of Services	775,109	789,683	839,272	866,141	912,900	966,415	1,021,391

Significant Issues Impacting the Agency

- Perth has one of the world's highest levels of car ownership, this inevitably places heavy demands on road infrastructure causing congestion during peak periods. The community is increasingly aware of the likely impact of 'peak oil', resulting in inevitable rises in domestic fuel costs and the adverse environmental, social and health impacts of high car usage. Engaging and involving the community in the importance of mass public transit and the role of public transport systems and its future development will optimise the use of public transport.
- Perth already has a very successful public transport system. Over the past decade, there has been 60.6 per cent growth in usage to nearly 470,000 current total boardings per average weekday. This has been a result of population growth and an increase in the proportion of trips made by public transport. As Perth rapidly moves from its current population of around 1.6 million to 2.2 million people projected in 2031 the demand for public transport from population growth, worsening congestion on major roads and a predicted escalation in fuel prices is expected to significantly increase and needs to be strategically examined and planned. A 20 year public transport plan is being developed to identify areas for further investment in high volume 'mass transit' services, especially those linking the Central Business District and the major new centres of activity. The plan will prioritise infrastructure proposals to enhance the primary public transport network, taking into account the costs, including those of acquiring, constructing and operating the system, as well as the benefits.

- Accessible and reliable public transport is important in enhancing the quality of life and wellbeing for Western Australia's growing population, and is of particular significance as the population ages and for people with disabilities, their families and carers. A free travel period for seniors and pensioners on weekdays and all weekend has been implemented. Accessible transport infrastructure and facilities are being enhanced to meet community needs, and park and ride facilities on the Joondalup and Mandurah lines are being expanded by 3,000 bays in accord with Government's Better Transport System strategy.
- Regional public transport services are essential to ensure regional strength and vibrancy. Access to fairly priced public transport services that link communities and provide access to health services and employment opportunities, including transport to schools, is essential and is delivered through a network of regional town and inter town services, country coach and rail services and school bus services.
- The rail corridor provides opportunities to improve access to ports and inter-modal facilities contributing to increases in rail haulage of freight. New opportunities to improve the export of freight from the Mid West region has resulted in the Authority working closely with other Government agencies and the private sector to progress new rail lines and rail facilities associated with the Oakajee Rail Development and mining activities around Karara. In areas such as Fremantle, Kwinana and Kewdale, the Authority is working with the private sector and other Government agencies to increase rail corridor utilisation.

Outcomes and Key Effectiveness Indicators ^(a)

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Outcome: Accessible, reliable and safe public transport system:					
Use of public transport - passengers per service kilometre:					
Metropolitan Bus Services	1.29	1.35	1.39	1.43	
Metropolitan Train Services	3.51	3.30	3.73	3.46	
Metropolitan Ferry Services	13.39	13.62	13.78	13.78	
Regional Bus Services	0.83	0.85	0.847	0.853	
Country Passenger Rail Services	0.304	0.28	0.28	0.27	
Country Passenger Road Coach Services	0.07	0.07	0.07	0.07	
Accessible Public Transport:					
The proportion of street addresses within the Perth Public Transport Area which are within 500 metres of a Transperth stop providing an acceptable level of service					
	78.3%	75.0%	81.1%	81.0%	
Metropolitan and regional passenger services reliability:					
Bus services within four minutes of scheduled time	82.62%	85%	85%	85%	
Train arriving within four minutes of scheduled time	90.29%	95%	94%	95%	
Ferries arriving within three minutes of scheduled time	99.21%	98%	98%	98%	
Country passenger rail and road coach services reliability:					
Prospector arriving within 15 minutes of scheduled time	42%	80%	82%	90%	1
Australind arriving within 10 minutes of scheduled time	83%	80%	76%	90%	2
MerredinLink arriving within 10 minutes of scheduled time	84%	95%	87%	95%	3
AvonLink arriving within 10 minutes of scheduled time	99%	95%	98%	95%	
Road Coaches arriving within 10 minutes of scheduled time	95%	95%	95%	95%	
Regional school bus services reliability:					
Drop off no less than 10 minutes before the school starts and pick up within 10 minutes of school ending					
	98%	97%	97%	97%	
Level of overall customer satisfaction - customer satisfaction index:					
Metropolitan Bus Services	78%	82%	80%	80%	
Metropolitan Train Services	90%	92%	91%	92%	
Metropolitan Ferry Services	97%	96%	97%	98%	
Country Passenger Rail and Road Coach Services	88%	90%	92%	92%	

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Customer perception of safety - independent external surveys:					
Train station - Daytime	96%	96%	96%	96%	
On-board train - Daytime.....	98%	97%	97%	97%	
Train station - Night-time	68%	65%	65%	65%	
On-board train - Night-time.....	78%	75%	75%	75%	
Bus station - Daytime.....	94%	95%	94%	95%	
On-board bus - Daytime	98%	99%	98%	99%	
Bus station - Night-time.....	63%	68%	64%	65%	
On-board bus - Night-time.....	78%	83%	78%	80%	
Level of notifiable safety occurrences - notifiable occurrences:					
Category A Occurrences per million passenger boardings	0.47	0.60	0.24	0.34	4
Category A Occurrences per million train kilometres.....	1.54	2.20	0.79	1.11	
Category B Occurrences per million passenger boardings	9.86	13.00	8.31	9.32	5
Category B Occurrences per million train kilometres.....	32.54	42.00	27.66	30.50	
Regional school bus services: notifiable occurrences (accidents) reported each school year	14	10	14	13	
Outcome: Protection of the long-term functionality of the rail corridor and railway infrastructure:					
Number of lease breaches.....	Nil	Nil	Nil	Nil	

(a) Further detail in support of the key effectiveness indicators is provided in the agency's Annual Report.

Explanation of Significant Movements

(Notes)

1. There is ongoing upgrading of signals by WestNet Rail, it is anticipated that this will have a positive effect on the performance of the Prospector.
2. The 2008-09 performance of the Australind was lower than expected due to delays caused by trackworks.
3. Due to trackworks on the Perth to Kalgoorlie Line and increased freight traffic, the MerredinLink experienced delays in 2008-09.
4. The projected increase in passengers will partially lower the estimate, however as the majority of category 'A' incidents are beyond PTA control, the figure varies year to year.
5. Effective management is reducing the number of incidents on the system, however with the implementation of Occurrence Notification Standard (ONS1-WA) from January 2009 and additional reporting requirements, an increase is projected to occur.

Services and Key Efficiency Indicators

1: Metropolitan and Regional Passenger Services

Provision of customer focused, safe and cost effective passenger transport to the metropolitan area and regional towns.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	577,204	619,008	668,315	689,928	
Less Income.....	132,337	137,980	149,786	142,811	
Net Cost of Service.....	444,867	481,028	518,529	547,117	
Employees (Full Time Equivalents)	1,106	1,247	1,210	1,277	
Efficiency Indicators					
Average Cost Per Passenger Kilometre:					
- Transperth Bus Operations	\$0.75	\$0.76	\$0.61	\$0.63	1
- Transperth Train Operations.....	\$0.75	\$0.72	\$0.47	\$0.46	1
- Transperth Ferry Operations.....	\$1.36	\$1.46	\$0.93	\$1.24	2
Average Cost Per 1,000 Place Kilometres:					
- Regional Bus Services	\$69.98	\$73.42	\$77.06	\$74.62	

Explanation of Significant Movements

(Notes)

- Until 2008-09, passenger kilometres were estimated using the zonal distribution of fare-paying journeys to derive an approximate trip length for each mode. This method, which was used to estimate average cost for the 2008-09 Budget, provided only an estimate of the average trip length because the previous ticketing system did not identify start and finish details for journeys. It also did not take account of transfer boardings and therefore understated passenger kilometres. During 2008-09, Transperth began using SmartRider tag-on/tag-off data to determine an accurate trip length for all modes. This data collection has resulted in a more realistic forecasting of passenger kilometres and a significant increase in the forecast of total passenger kilometres for each mode. Consequently, the 2008-09 Estimated Actual and the 2009-10 Target are significantly less than the target used for the 2008-09 Budget.
- The 2008-09 Estimated Actual cost per passenger kilometre is lower than the 2008-09 Budget as the ferries were fully depreciated at the beginning of 2008-09. The increase from 2008-09 Estimated Actual to 2009-10 Budget Target is a result of financing and depreciation costs relating to the commissioning of a new ferry.

2: Country Passenger Rail and Road Coach Services

Provision of customer focused, safe and cost effective passenger transport to regional communities.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	49,004	45,609	47,002	48,724	
Less Income.....	10,442	10,205	10,442	11,400	
Net Cost of Service.....	38,562	35,404	36,560	37,324	
Employees (Full Time Equivalents)	127	135	126	125	
Efficiency Indicators					
Average Cost Per Passenger Kilometre:					
- Transwa Rail.....	\$0.44	\$0.38	\$0.42	\$0.41	
- Transwa Road Coaches	\$0.19	\$0.22	\$0.21	\$0.22	

3: Regional School Bus Services

Provision of regional school bus transport to Western Australian school students.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	86,431	98,858	97,143	100,643	
Less Income.....	2,073	1,680	1,680	1,680	
Net Cost of Service	84,358	97,178	95,463	98,963	
Employees (Full Time Equivalents)	35	39	40	40	
Efficiency Indicators					
Average Cost Per Contracted Kilometre:					
- School Bus Services	\$3.08	\$3.36	\$3.27	\$3.39	

4: Rail Corridor and Residual Freight Issues Management

Managing the rail freight corridor and infrastructure leased to the private sector and associated freight transport issues.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	62,470	26,208	26,812	26,846	
Less Income.....	48,136	12,735	12,735	12,935	
Net Cost of Service	14,334	13,473	14,077	13,911	
Employees (Full Time Equivalents)	16	21	21	21	
Efficiency Indicators					
Total Cost of Managing the Rail Freight Corridor and Residual Freight Issues ^(a)					
	\$62,470,000	\$26,208,000	\$26,812,000	\$26,846,000	

(a) Under the terms and conditions of the Railway Infrastructure Lease, an independent inspection of the railway infrastructure is carried out every five years.

ASSET INVESTMENT PROGRAM

The Authority's planned asset investment program from 2009-10 to 2012-13 is \$620.1 million with \$207.8 million estimated to be expended in 2009-10.

Key projects contained within the asset investment program are aimed at maintaining, improving and expanding public transport infrastructure. These works include:

- The extension of the Northern Suburbs Railway from Clarkson to Brighton with construction due for commencement in 2011-12 with an estimated completion cost of \$282.9 million.
- Parking Facilities Program:
 - Better Transport System initiative delivering 3,000 car bays over the life of the program, including 1,280 car bays at Greenwood, Whitfords, Cockburn, Mandurah, Warnbro, Clarkson and Rockingham stations in 2009-10, with a further 1,370 bays to be completed by 2012-13 at a total cost of \$51 million.
- Accessible Public Transport Program:
 - continuation of the upgrade program at Authority's facilities to meet legislative accessibility for people with disabilities at a total cost of \$40.9 million.
- Rail Stations Program:
 - the 'Building Better Stations' program, including the commencement of the upgrade of the Armadale station car park, restoration works at the Fremantle station, provision of an Information Centre on Murray Street Mall, upgrades and improvements at Maddington and Edgewater stations and planning for other stations including Midland.
- Rail Track Program:
 - \$10.2 million for the continuation of the concrete re-sleeper program for the metropolitan rail system, including the completion of the re-sleeper of the Midland line in 2009-10; and
 - complete upgrades of Joondalup line freeway crash barriers, continue with level crossing improvements, power supply upgrades.
- Railcar Program:
 - delivery of nine of the 15 railcar sets in 2009-10 with the remaining railcars delivered in 2010-11; and
 - \$3.9 million over the Forward Estimates for upgrades to the series 'A' railcar.
- Bus Infrastructure Program:
 - complete the redevelopment of the Karrinyup bus depot including the provision of Compressed Natural Gas (CNG) refuelling capacity; and
 - complete construction of the James Street Bus Bridge to improve access to Wellington Street Bus station.
- Bus Replacement Program:
 - a combined \$55.9 million will be spent in 2009-10 to allow bus transfers to regional town bus fleets (15 buses), commencement of regular passenger transport fleet (RPT Fleet, 16 buses) and metropolitan bus acquisition program (65 CNG buses).
- Customer and Security Program:
 - commence the establishment of a new Closed Circuit Television system (CCTV) Central Monitoring facility.
- Freight Program:
 - the redevelopment of supporting infrastructure at the Kewdale Freight Terminal; and
 - provision of \$18.1 million for the North Greenbushes project for rail related improvements.
- Operational and Business Support Program:
 - increase capacity for the 32 day storage of public transport CCTV footage;
 - update/replace operational support infrastructure, systems and test equipment for Authority's maintenance operations including remote access to information on Authority's equipment and infrastructure; and
 - roll-out of the Electronic Document Records Management System.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
WORKS IN PROGRESS							
Accessible Program							
Accessible Public Transport Upgrade Program	7,577	5,855	2,106	-	-	298	1,424
Disability Access for Intermediate Minor Stations and Track Works - Stage 2	33,304	283	283	2,925	4,246	5,466	4,257
Bus Infrastructure Program							
Bus Priority Projects	26,330	2,142	1,200	1,008	4,000	8,000	6,280
James Street Bus Bridge	18,800	15,749	13,500	3,051	-	-	-
Karrinyup Depot Refurbishment	8,240	1,175	1,175	7,065	-	-	-
Bus Replacement Program							
Metropolitan and Regional Buses Replacement.....	465,822	338,761	46,601	49,250	47,305	4,100	4,200
Customer and Security Program							
Rail Infrastructure Safety and Security - Central							
Monitoring Room.....	6,500	500	497	2,500	3,500	-	-
Freight Program							
Kewdale Freight Complex Redevelopment.....	17,940	7,218	4,900	10,468	254	-	-
New MetroRail Project							
Infrastructure and Railcars.....	1,690,945	1,690,005	35,859	940	-	-	-
Operational and Business Support Systems Program							
Business Support Upgrades	12,466	1,550	1,550	1,842	2,689	2,885	3,500
CCTV Stage 3 Additional Storage	4,640	3,275	3,275	1,365	-	-	-
Computer Hardware and Software	9,770	8,517	3,572	503	-	250	500
Split and replace radio system	13,968	1,099	-	-	-	-	579
Upgrade transmission systems - Armadale, Fremantle and Midland	626	268	221	358	-	-	-
Parking Facilities Program							
Better Transport System (3000 parking bays).....	51,022	4,448	3,000	17,000	12,824	11,750	5,000
PTA Buildings Program							
Minor Capital Works	19,643	1,859	1,531	1,600	1,984	1,700	1,760
Network and Infrastructure maintenance depot	5,928	2,238	1,500	-	3,690	-	-
PTA Facilities Refurbishment	3,500	2,000	2,000	1,500	-	-	-
Training Facilities Transit Guards	250	150	150	100	-	-	-
Rail Stations Program	71,568	28,189	3,960	15,033	3,925	8,779	7,067
Rail Track Program							
Concrete Resleeper Projects	61,741	34,853	11,836	10,167	10,208	5,513	1,000
Northern Suburbs - upgrade crash barriers Stage 1.....	3,948	3,610	3,000	338	-	-	-
Pedestrian Gates - East St, Moore St and Philimore St.....	838	728	202	110	-	-	-
Perway Track and Associated Works	36,349	22,995	2,896	2,802	1,900	2,402	2,000
Rail Power Supply	7,640	950	950	5,690	500	500	-
Rerailing Urban System.....	2,761	552	552	585	306	315	325
Shenton Road Bridge - Upgrade.....	973	21	-	-	952	-	-
Upgrade pedestrian gates - Fremantle to Rob Jetty.....	1,086	300	300	786	-	-	-
Railcar Program							
45 New EMU Railcars (15 sets).....	160,000	116,215	55,250	39,067	4,718	-	-
EMU Railcar Modifications.....	36,091	15,499	744	121	1,148	1,037	1,549
COMPLETED WORKS							
Bus Infrastructure Program							
Acquisition of Geraldton Bus Depot	1,100	1,100	1,100	-	-	-	-
Beckenham Bus Depot Acquisition.....	6,730	6,730	6,730	-	-	-	-
Welshpool Depot Development.....	5,661	5,661	902	-	-	-	-
Bus Replacement Program							
School Buses Replacement.....	1,496	1,496	120	-	-	-	-
Customer and Security Program							
Replace emergency telephone	610	610	342	-	-	-	-
Ferry Replacement Program	1,400	1,400	1,400	-	-	-	-
Operational and Business Support Systems Program							
PABX Replacement	777	777	42	-	-	-	-
Public Transport Centre UPS Project	1,300	1,300	1,300	-	-	-	-
Train Control Upgrade	16,897	16,897	3,641	-	-	-	-
PTA Buildings Program							
Minor Works - Country Passenger	780	780	101	-	-	-	-
Wheel Lathe Acquisition and Facility	4,894	4,894	365	-	-	-	-
Rail Stations Program	31,237	31,237	9,519	-	-	-	-
Rail Track Program							
Infrastructure Upgrades	776	776	211	-	-	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
NEW WORKS							
Bus Replacement Program							
School Buses Replacement (RPT Fleet).....	16,800	-	-	6,700	5,000	5,100	-
Freight Program							
North Greenbushes Project	18,150	-	-	18,150	-	-	-
Operational and Business Support Systems Program							
Operational Support Initiatives	3,805	-	-	700	-	-	1,100
System upgrade and PINS	4,200	-	-	775	3,425	-	-
Parking Facilities Program							
Car Park Upgrade Program.....	8,345	-	-	-	400	2,615	2,000
Rail Stations Program	29,032	-	-	1,500	965	3,922	5,813
Rail Track Program							
Extension of the Northern Suburbs Railway to Brighton.....	282,950	-	-	-	4,067	55,649	87,723
Network and Infrastructure Upgrades	42,167	-	-	3,809	2,848	5,486	29,597
Total Cost of Asset Investment Program	3,259,373	2,384,662	228,383	207,808	120,854	125,767	165,674
FUNDED BY							
Capital Appropriation ^(a)			36,056	7,640	5,000	5,100	-
Borrowings			187,481	186,026	115,404	120,667	165,674
Drawdowns from the Holding Account			1,000	-	-	-	-
Internal Funds and Balances			2,854	13,150	-	-	-
Other.....			992	992	450	-	-

(a) Capital Appropriation provided for asset investment program differs from the capital appropriation provided to the Public Transport Authority due to equity funds provided for repayments of borrowings.

FINANCIAL STATEMENTS**Income Statement***Expenses*

The Income Statement shows an estimated increase in the 2009-10 Total Cost of Services of \$26.9 million (3.2 per cent), when compared to the 2008-09 Estimated Actual. This increase is mainly attributable to:

- Enterprise Bargaining Agreement (EBA) salary and wage increases (\$5.9 million);
- depreciation reflecting the increased value of property, plant and equipment (\$15.5 million);
- planning for rail underground infrastructure - Northbridge Link (\$5.0 million);
- maintenance cost increase (\$4.0 million);
- operating cost for railcars mainly due to higher cost of railcar maintenance (\$2.9 million);
- energy cost increase (\$2.4 million); and
- bus driver wages increase (\$1.8 million).

Income

Total income is estimated to be \$168.8 million for 2009-10. This represents a decrease of \$5.8 million (3.3 per cent) compared to the 2008-09 Estimated Actual. The decrease is mainly attributable to one-off external works revenue of \$3.0 million for 2008-09 Estimated Actual and loss of revenue of \$6.1 million on the provision of free travel to senior citizens offset by \$3.3 million increase in revenue from fare increase in line with the Consumer Price Index (CPI).

Balance Sheet

The Authority's total net asset position (total equity) is expected to increase by \$65.0 million (2.0 per cent) between the 2008-09 Estimated Actual and the 2009-10 Budget. This reflects a projected increase in total assets of \$194.7 million (4.2 per cent) and an increase in total liabilities of \$129.7 million (9.4 per cent) over the same period. The expected increase in assets is attributable to increased:

- holding account receivables for approved future asset replacement (\$165.4 million); and
- property, plant and equipment (\$134.4 million), mainly as a result of the capital works program for Transperth bus replacement, additional car parks along the north-south railway line, new EMU railcars, school bus replacement and North Greenbushes project.

The above increases are estimated to be partially offset by decrease in:

- works in progress (\$92 million); and
- cash assets of \$13.1 million due to the payment of the North Greenbushes project from funds received from the Department for Planning and Infrastructure (DPI) in 2006-07.

The increase in liabilities is mainly attributable to the estimated net increase in borrowings to fund the capital works program (\$135.2 million). The above increase is estimated to be partially offset by a decrease in the pre-paid 49 year lease of the freight infrastructure (\$5.5 million).

Cashflow Statement

The 2009-10 closing cash assets balance of \$37 million represents a decrease of \$13.1 million in comparison to the 2008-09 Estimated Actual. The decrease is attributable to the payment of the North Greenbushes project from funds received from the DPI in 2006-07.

INCOME STATEMENT ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(c)	97,228	115,822	123,227	126,985	131,462	135,428	138,534
Grants and subsidies ^(d)	332,086	306,472	329,542	325,190	352,956	370,766	389,149
Supplies and services	154,065	127,251	144,374	152,595	147,221	163,764	179,673
Accommodation	12,661	18,409	20,792	24,381	27,400	28,744	29,582
Depreciation and amortisation	114,600	128,861	149,864	165,407	170,794	169,793	170,531
Other expenses	64,469	92,868	71,473	71,583	83,067	97,920	113,922
TOTAL COST OF SERVICES	775,109	789,683	839,272	866,141	912,900	966,415	1,021,391
Income							
Sale of goods and services	120,514	129,244	135,095	133,652	133,802	133,974	134,111
Regulatory fees and fines	1,776	-	-	-	-	-	-
Grants and subsidies	38,669	10,976	10,851	11,258	11,516	11,041	10,878
Other revenue	32,029	22,380	28,697	23,916	24,268	24,824	24,882
Total Income	192,988	162,600	174,643	168,826	169,586	169,839	169,871
NET COST OF SERVICES	582,121	627,083	664,629	697,315	743,314	796,576	851,520
INCOME FROM STATE GOVERNMENT							
Service appropriations	595,799	633,541	657,644	703,773	749,772	802,205	856,986
Resources received free of charge	2,041	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	597,840	633,541	657,644	703,773	749,772	802,205	856,986
SURPLUS/(DEFICIENCY) FOR THE PERIOD	15,719	6,458	(6,985)	6,458	6,458	5,629	5,466
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	15,719	6,458	(6,985)	6,458	6,458	5,629	5,466

(a) Full audited financial statements are published in the agency's Annual Report.

(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

(c) The Full Time Equivalents (FTEs) for 2007-08 Actual, 2008-09 Estimated Actual and 2009-10 Estimate are 1284, 1,397 and 1,463 respectively.

(d) Refer Details of Controlled Grants and Subsidies table below for further information.

Details of Controlled Grants and Subsidies

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Local Government	21,183	-	16,522	250	250	250	-
Metropolitan Services:							
Bus Operators	181,152	200,419	208,310	214,550	236,234	248,683	260,408
Ferry Services	540	597	620	639	704	741	776
Regional Bus Services	12,102	13,389	13,916	14,333	15,782	16,613	17,397
Regional School Bus Services:							
School Bus Services	73,947	85,749	83,856	88,847	93,152	97,372	103,177
Student Fare Concessions	6,062	6,318	6,318	6,571	6,834	7,107	7,391
Rail Corridor and Freight Issues Management....	37,100	-	-	-	-	-	-
TOTAL	332,086	306,472	329,542	325,190	352,956	370,766	389,149

BALANCE SHEET ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	54,602	25,314	50,105	36,955	37,497	37,660	37,660
Receivables	18,428	13,015	18,811	18,811	18,811	18,811	18,811
Other.....	14,916	11,517	14,937	14,937	14,937	14,937	14,937
Total current assets	87,946	49,846	83,853	70,703	71,245	71,408	71,408
NON-CURRENT ASSETS							
Holding account receivables.....	430,814	558,675	579,678	745,085	915,879	1,085,672	1,256,203
Property, plant and equipment.....	3,674,396	3,294,657	3,721,680	3,856,054	3,849,236	3,811,121	3,806,264
Intangibles.....	279	23	131	109	108	108	108
Other.....	182,212	202,646	241,809	149,858	106,737	100,826	100,826
Total non-current assets.....	4,287,701	4,056,001	4,543,298	4,751,106	4,871,960	4,997,727	5,163,401
TOTAL ASSETS.....	4,375,647	4,105,847	4,627,151	4,821,809	4,943,205	5,069,135	5,234,809
CURRENT LIABILITIES							
Employee provisions.....	16,091	15,270	16,091	16,091	16,091	16,091	16,091
Payables ^(a)	59,358	47,141	59,578	59,578	59,578	59,578	59,578
Other.....	139,438	31,996	38,810	38,813	38,789	38,789	38,789
Total current liabilities.....	214,887	94,407	114,479	114,482	114,458	114,458	114,458
NON-CURRENT LIABILITIES							
Employee provisions.....	5,185	3,658	5,185	5,185	5,185	5,185	5,185
Borrowings.....	802,248	1,091,856	1,041,954	1,177,116	1,240,623	1,308,455	1,418,829
Other.....	226,527	221,310	221,061	215,595	210,129	204,663	199,197
Total non-current liabilities	1,033,960	1,316,824	1,268,200	1,397,896	1,455,937	1,518,303	1,623,211
TOTAL LIABILITIES.....	1,248,847	1,411,231	1,382,679	1,512,378	1,570,395	1,632,761	1,737,669
EQUITY							
Contributed equity	2,233,740	2,356,010	2,358,397	2,416,898	2,473,819	2,531,754	2,587,054
Accumulated surplus/(deficit)	98,171	75,578	91,186	97,644	104,102	109,731	115,197
Reserves	794,889	263,028	794,889	794,889	794,889	794,889	794,889
Total equity.....	3,126,800	2,694,616	3,244,472	3,309,431	3,372,810	3,436,374	3,497,140
TOTAL LIABILITIES AND EQUITY.....	4,375,647	4,105,847	4,627,151	4,821,809	4,943,205	5,069,135	5,234,809

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(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

CASHFLOW STATEMENT ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	476,323	504,680	507,780	538,366	578,978	632,412	686,455
Capital appropriation	129,704	56,677	84,681	58,501	56,921	57,935	55,300
Holding account drawdowns	-	1,000	1,000	-	-	-	-
Net cash provided by State Government.....	606,027	562,357	593,461	596,867	635,899	690,347	741,755
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(94,717)	(115,822)	(123,227)	(126,985)	(131,462)	(135,428)	(138,534)
Grants and subsidies	(312,869)	(306,472)	(318,000)	(325,190)	(352,956)	(370,766)	(389,149)
Supplies and services	(127,370)	(127,252)	(144,117)	(152,596)	(147,222)	(163,338)	(179,244)
Accommodation.....	(12,353)	(18,409)	(20,792)	(24,381)	(27,400)	(29,191)	(30,032)
Other payments	(131,491)	(143,504)	(122,109)	(131,441)	(142,925)	(157,758)	(173,760)
Receipts							
Regulatory fees and fines.....	1,790	-	-	-	-	-	-
Grants and subsidies	38,589	10,976	10,851	11,258	11,516	11,041	10,878
Sale of goods and services	127,496	129,244	135,095	133,652	133,802	133,974	134,111
GST receipts.....	64,958	50,637	50,637	59,859	59,859	59,859	59,859
Other receipts	21,637	16,914	23,231	18,450	18,802	19,358	19,416
Net cash from operating activities.....	(424,330)	(503,688)	(508,431)	(537,374)	(577,986)	(632,249)	(686,455)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(227,886)	(218,745)	(228,383)	(207,808)	(120,854)	(125,767)	(165,674)
Proceeds from sale of non-current assets	2,651	3,370	-	-	-	-	-
Net cash from investing activities.....	(225,235)	(215,375)	(228,383)	(207,808)	(120,854)	(125,767)	(165,674)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(282,835)	(47,839)	(48,625)	(50,861)	(51,921)	(52,835)	(55,300)
Other proceeds	(382)	-	-	-	-	-	-
Proceeds from borrowings	328,537	191,395	187,481	186,026	115,404	120,667	165,674
Net cash from financing activities	45,320	143,556	138,856	135,165	63,483	67,832	110,374
NET INCREASE/(DECREASE) IN CASH HELD	1,782	(13,150)	(4,497)	(13,150)	542	163	-
Cash assets at the beginning of the reporting period	52,820	38,464	54,602	50,105	36,955	37,497	37,660
Cash assets at the end of the reporting period.....	54,602	25,314	50,105	36,955	37,497	37,660	37,660

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ALBANY PORT AUTHORITY

ASSET INVESTMENT PROGRAM

The Authority's 2009-10 asset investment program of \$4.8 million includes \$750,000 for ongoing minor works and \$250,000 for motor vehicle replacement. In addition, \$3.8 million will be spent on the realignment of Princess Royal Drive, which will improve the efficiency of rail access to the port.

In 2010-11, \$1 million is required to provide a rail dump hopper for the biomass fuel pellet industry, thus increasing the use of rail.

In 2011-12, it is anticipated that the pilot boat will need to be replaced at an estimated cost of \$1.8 million.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
WORKS IN PROGRESS							
Rail Enhancement – Rail Access	3,785	-	-	3,785	-	-	-
COMPLETED WORKS							
Minor Works - 2008-09 Program	750	750	750	-	-	-	-
Motor Vehicle Replacement - 2008-09 Program	250	250	250	-	-	-	-
NEW WORKS							
Minor Works							
2009-2010 Program	750	-	-	750	-	-	-
2010-2011 Program	750	-	-	-	750	-	-
2011-2012 Program	750	-	-	-	-	750	-
2012-2013 Program	750	-	-	-	-	-	750
Motor Vehicle Replacement							
2009-2010 Program	250	-	-	250	-	-	-
2010-2011 Program	250	-	-	-	250	-	-
2011-2012 Program	250	-	-	-	-	250	-
2012-2013 Program	250	-	-	-	-	-	250
Pilot Boat	1,800	-	-	-	-	1,800	-
Rail Dump Hopper	1,000	-	-	-	1,000	-	-
Total Cost of Asset Investment Program	11,585	1,000	1,000	4,785	2,000	2,800	1,000
FUNDED BY							
Borrowings			-	-	1,000	1,800	-
Internal Funds and Balances			1,000	4,785	1,000	1,000	1,000

BROOME PORT AUTHORITY

ASSET INVESTMENT PROGRAM

The Authority's asset investment program for 2009-10 is \$0.5 million for minor works to replace vehicles, plant and equipment, and to construct storage and security facilities.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
COMPLETED WORKS							
Fender and Deck Upgrade	1,623	1,623	839	-	-	-	-
Minor Works - 2008-09 Program	736	736	736	-	-	-	-
NEW WORKS							
Minor Works							
2009-10 Program	500	-	-	500	-	-	-
2010-11 Program	525	-	-	-	525	-	-
2011-12 Program	551	-	-	-	-	551	-
2012-13 Program	579	-	-	-	-	-	579
Total Cost of Asset Investment Program	4,514	2,359	1,575	500	525	551	579
FUNDED BY							
Equity Contribution			350	-	-	-	-
Internal Funds and Balances			1,225	500	525	551	579

BUNBURY PORT AUTHORITY

ASSET INVESTMENT PROGRAM

The Authority's asset investment program for 2009-10 is \$9 million. Capital expenditure will be met from the Authority's internal funds and balances.

A minor works allocation of \$3 million has been included to allow asset replacement of mobile plant and office equipment, improvements to Berth 2 and other civil works, and upgrades of shiploaders and storage facilities.

An amount of \$1.5 million has been included to complete work on the Inner Harbour noise wall, and \$4.5 million for capitalised dredging.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
WORKS IN PROGRESS							
Bund Wall Inner Harbour (Noise Management).....	2,000	500	500	1,500	-	-	-
COMPLETED WORKS							
Asset Replacement							
Minor Works - 2008-09	4,300	4,300	4,300	-	-	-	-
Capitalised Dredging	14,694	14,694	2,400	-	-	-	-
Container Facilities (Hardstand).....	2,300	2,300	2,300	-	-	-	-
NEW WORKS							
Asset Replacement							
Minor Works - 2009-10	3,000	-	-	3,000	-	-	-
Minor Works - 2010-11	3,500	-	-	-	3,500	-	-
Minor Works - 2011-12	2,100	-	-	-	-	2,100	-
Minor Works - 2012-13	2,400	-	-	-	-	-	2,400
Dredging							
Capitalised Dredging 2009-10	4,500	-	-	4,500	-	-	-
Total Cost of Asset Investment Program	38,794	21,794	9,500	9,000	3,500	2,100	2,400
FUNDED BY							
Internal Funds and Balances			9,500	9,000	3,500	2,100	2,400

DAMPIER PORT AUTHORITY

ASSET INVESTMENT PROGRAM

The Authority's asset investment program in 2009-10 will consist of various minor work projects, including asset replacement of mobile plant and office equipment, and maintenance of the Port's infrastructure.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
WORKS IN PROGRESS							
Housing - Dampier/Karratha	2,000	1,000	1,000	-	1,000	-	-
Minor Works	16,521	6,021	4,117	2,500	2,500	2,500	3,000
COMPLETED WORKS							
Cyclone Shed	1,135	1,135	1,135	-	-	-	-
Dampier Cargo Wharf Fenders Upgrade.....	2,061	2,061	2,061	-	-	-	-
Gangway for Bulk Liquids Berth	1,500	1,500	1,500	-	-	-	-
Total Cost of Asset Investment Program	23,217	11,717	9,813	2,500	3,500	2,500	3,000
FUNDED BY							
Borrowings.....			4,061	-	-	-	-
Internal Funds and Balances			5,752	2,500	3,500	2,500	3,000

ESPERANCE PORT AUTHORITY

ASSET INVESTMENT PROGRAM

A series of minor works projects, including the purchase of a new pilot vessel, are planned for 2009-10 as part of the Authority's ongoing program for maintenance and improvement of the Port's infrastructure. These funds will be sourced from internal cashflows.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
COMPLETED WORKS							
Bulk Storage Facility and Shore Based Crane	24,363	24,363	1,500	-	-	-	-
Minor Works - 2008-09 Program	1,900	1,900	1,900	-	-	-	-
Nickel Concentrate Circuit Upgrade	6,000	6,000	6,000	-	-	-	-
NEW WORKS							
Minor Works							
2009-10 Program	1,900	-	-	1,900	-	-	-
2010-11 Program	1,900	-	-	-	1,900	-	-
2011-12 Program	3,000	-	-	-	-	3,000	-
2012-13 Program	4,500	-	-	-	-	-	4,500
Pilot Vessel	1,000	-	-	1,000	-	-	-
Total Cost of Asset Investment Program	44,563	32,263	9,400	2,900	1,900	3,000	4,500
FUNDED BY							
Borrowings			4,000	-	-	-	-
Internal Funds and Balances			5,400	2,900	1,900	3,000	4,500

FREMANTLE PORT AUTHORITY

ASSET INVESTMENT PROGRAM

The Authority's approved asset investment program for 2009-10 to 2012-13 totals \$385.4 million. Major approved projects planned or underway include:

- Dredging and Upgrade of Fremantle Inner Harbour Berths and Channels
 - To enable the Port to meet the ongoing trade needs of the State in relation to container and general cargo trades; a number of berths and facilities in the Inner Harbour, including North Quay berths and Berth H on Victoria Quay are in the process of being upgraded.
 - A project is also currently underway to accommodate the larger new generation container ships increasingly expected to come to the Inner Harbour including strengthening berths to accommodate the larger container cranes to handle bigger ships. The average size of container vessels has increased by 75 per cent since the early 1990's and this trend is expected to increase as shipping lines rationalise their fleet to take advantage of the economies of scale and other efficiencies associated with larger vessels.
 - The asset investment program also importantly includes a project for the deepening of the Fremantle Inner Harbour to accommodate these larger vessels. In the absence of this deepening, it is most likely that the larger, deeper draft vessels would have bypassed Fremantle giving rise to substantial extra costs for importers and exporters if there was a need to tranship cargo onto smaller ships.
- Seawall Construction
 - The existing seawall at Rous Head is proposed to be extended and backfilled with dredged material from the Inner Harbour deepening project. With long-term growth in container trade expected to continue, this will create an area of additional land to be used to service port related needs arising from the increased trade, including existing uses which will be displaced by planned future expansion of the rail terminal.
- Kwinana Bulk Terminal (KBT) Infrastructure and Equipment Replacement and Upgrade
 - The project comprises works that will be progressed over a number of years and which are required to facilitate the ongoing import, export and storage of bulk materials. The upgrade includes infrastructure to increase the speed of the unloading process including a new generation unloader, upgrading of conveyors and the future provision of export infrastructure. As well as meeting customer needs, environmental improvements have been given a high priority.
- Fremantle Waterfront Implementation Plan including the Commercial Precinct
 - The objective of this project is to undertake the works and provide the services associated with the developments and land uses identified in the Fremantle Waterfront Masterplan for the western end of Victoria Quay, and particularly to service the needs of the planned commercial precinct. The aim is to create a vibrant, attractive and world-class waterfront that is consistent with the needs of a growing and dynamic working port and complies with port buffer requirements. Additional lease rental revenue is expected as a result of this project.
- Development of Transport Interchange Facilities
 - The development of interchange facilities will be supported at points that have been identified as offering good prospects for rail to compete with road. This aims to help achieve targets for the increased movement of containers by rail to and from the Inner Harbour.
- Land Acquisition at Kwinana Bulk Jetty (KBJ)
 - The Authority plans to acquire land from LandCorp to support activities associated with the growing trade opportunities and expansion of import and export facilities at the KBJ.
- KBJ - Truck Loading Facility and Storage Shed
 - It is planned to construct a truck loading discharge system and storage shed adjacent to the existing conveyor to improve the efficiency of unloading bulk material at KBJ.
- Land Acquisitions - Kwinana Port Area
 - The anticipated future growth in trade and expansion of facilities in Kwinana requires the Authority to ensure that adequate land in proximity to port facilities are available to support the appropriate infrastructure.

- North Quay (NQ) Rail Terminal Stage 2
 - This project involves extending the NQ Rail Terminal to its ultimate length such that it runs the length of both container terminals. This involves the extension of Port Beach Road to meet Rous Head Road, paving within the rail terminal and the extension of rail tracks within the terminal.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
WORKS IN PROGRESS							
Fremantle Port - Inner and Outer Harbour - Security							
Upgrades	3,787	2,387	350	350	350	350	350
HISMelt - Infrastructure for HISMelt - Stage 1 and Other							
Bulk Users	32,582	32,282	975	100	200	-	-
Inner Harbour							
Deepening of the Inner Harbour Stage 1	125,243	5,425	5,425	119,818	-	-	-
Overseas Passenger Terminal	4,000	1,100	1,100	1,000	-	-	-
Replacement of Trucks	889	48	-	-	60	265	-
North Quay							
Berth Upgrades - Eastern Stage	46,444	24,027	20,665	22,417	-	-	-
Berth Upgrades - Western Stage	65,095	8,472	5,234	47,321	9,302	-	-
Environmental Improvement Program	3,403	842	200	550	175	186	197
Outer Harbour							
Kwinana Bulk Terminal (KBT) - Dust Control and							
Roadworks	1,556	579	-	-	-	977	-
KBT - Infrastructure and Equipment Replacement and							
Upgrade	52,071	2,603	547	1,476	3,140	10,371	16,955
Kwinana Bulk Jetty (KBJ) - Fire Fighting Foam System	1,753	253	-	1,500	-	-	-
KBT - Civil and Mechanical Assets Upgrade	3,070	690	690	410	920	-	-
Plant and Equipment							
Mobile Truck Mounted Capstans	400	200	111	-	-	200	-
Replacement of Navigational Aids	5,568	1,368	200	200	-	-	-
Replacement of Special Purpose Trucks	1,191	721	400	-	-	-	470
Rous Head - Seawall Construction and Rous Head							
Extension - Stage 2	40,652	6,130	6,130	20,327	14,195	-	-
Victoria Quay							
Fremantle Waterfront Implementation Plan	15,000	393	393	1,607	2,000	2,000	4,000
Upgrade Ferry Passenger Facilities and Public Amenities ...	2,457	680	680	1,777	-	-	-
COMPLETED WORKS							
Cathodic Protection Installation	3,045	3,045	1,200	-	-	-	-
Fremantle Waterfront Project - Commercial Precinct							
Access and Services	3,332	3,332	3,177	-	-	-	-
Inner Harbour - Berth H Upgrade	4,856	4,856	4,800	-	-	-	-
Minor Works - Miscellaneous Minor Works	642	642	642	-	-	-	-
North Quay							
North Quay Land Acquisitions	9,086	9,086	434	-	-	-	-
Replacement of Medium Voltage Cabling	1,777	1,777	1,156	-	-	-	-
Outer Harbour							
KBJ							
Control Systems Upgrade	461	461	450	-	-	-	-
Kwinana Bulk Berth No 3 New Tanker Discharge							
System	2,200	2,200	521	-	-	-	-
KBT - New Wheeled Loader/Front End Loader	400	400	400	-	-	-	-
KBT and KBJ - Upgrade Sewerage	235	235	235	-	-	-	-
Plant and Equipment - Replace Forklift Trucks	338	338	338	-	-	-	-
Rous Head - Purchase of Seabed	200	200	200	-	-	-	-
Victoria Quay							
Maritime Assets - Risk Amelioration	362	362	165	-	-	-	-
Victoria Quay Power Mains and Infrastructure including							
Substation A Refurbishment and Substation C	2,475	2,475	23	-	-	-	-
NEW WORKS							
Container Double Stacking on Rail	2,725	-	-	212	2,513	-	-
Inner Harbour - Dredging Berth 11 and 12	17,000	-	-	-	-	-	1,000
Minor Works							
Miscellaneous Minor Works - 2009-10 Program	1,000	-	-	1,000	-	-	-
Miscellaneous Minor Works - 2010-11 Program	1,250	-	-	-	1,250	-	-
Miscellaneous Minor Works - 2011-12 Program	1,500	-	-	-	-	1,500	-
Miscellaneous Minor Works - 2012-13 Program	1,750	-	-	-	-	-	1,750
North Quay							

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Land Acquisition.....	3,729	-	-	-	-	-	729
Rail Terminal Stage 2.....	19,428	-	-	-	5,000	14,428	-
Sewerage Upgrades.....	1,060	-	-	260	260	265	275
Outer Harbour							
KBT - Undercover Storage.....	13,429	-	-	-	-	-	367
KBJ							
Bulk Handling Equipment.....	32,815	-	-	-	-	540	1,120
Export-Import Infrastructure.....	59,983	-	-	-	-	536	1,108
KBJ – Truck Loading Facility and Storage Shed							
Lot 13.....	14,000	-	-	-	-	1,000	13,000
KBJ Eport - Import Infrastructure Phase 2.....	15,000	-	-	-	-	500	1,000
Land Acquisition KBJ Lot 13.....	9,000	-	-	-	-	1,000	8,000
New Rail Link (Second Spur Line).....	500	-	-	-	-	500	-
KBT - Upgrade Rail Infrastructure and Replacement of							
Other Plant.....	8,270	-	-	-	-	4,020	2,450
Land Acquisitions Kwinana Port Area.....	50,000	-	-	-	-	-	10,000
Plant and Equipment							
Replace Floating Plant.....	18,823	-	-	250	4,930	-	-
Replace Specialised Plant.....	450	-	-	250	200	-	-
Transport Interchange Facilities.....	10,000	-	-	-	3,000	2,000	5,000
Victoria Quay							
D Berth - Fendering.....	950	-	-	-	950	-	-
Motor Vehicle Decking.....	3,900	-	-	-	-	-	3,900
Slipway Area - Provision of Services.....	776	-	-	-	-	-	382
Upgrade Public Amenities.....	450	-	-	-	-	-	450
Victoria Quay – Berth E - Upgrade Fendering.....	3,000	-	-	-	3,000	-	-
Total Cost of Asset Investment Program.....	737,358	117,609	56,841	220,825	51,445	40,638	72,503
FUNDED BY							
Equity Contribution.....			212	210	3,104	2,000	-
Asset Sales.....			50	50	50	50	50
Borrowings.....			43,003	214,088	46,100	33,100	70,100
Internal Funds and Balances.....			13,576	6,265	(322)	5,488	2,353
Other.....			-	212	2,513	-	-

GERALDTON PORT AUTHORITY

ASSET INVESTMENT PROGRAM

The Authority's 2009-10 asset investment funding of \$2.5 million has been provided to allow for upgrades to the Port's power and services infrastructure and for the equipment replacement program.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
COMPLETED WORKS							
Additional Funding - Berth 5 Iron Ore Expansion Project	3,000	3,000	3,000	-	-	-	-
Miscellaneous Works.....	3,000	3,000	3,000	-	-	-	-
NEW WORKS							
Miscellaneous Works - 2009-10 Program.....	2,500	-	-	2,500	-	-	-
Miscellaneous Works - 2010-11 Program.....	2,500	-	-	-	2,500	-	-
Miscellaneous Works - 2011-12 Program.....	2,500	-	-	-	-	2,500	-
Miscellaneous Works - 2012-13 Program.....	2,500	-	-	-	-	-	2,500
Total Cost of Asset Investment Program	16,000	6,000	6,000	2,500	2,500	2,500	2,500
FUNDED BY							
Borrowings.....			3,000	-	-	-	-
Internal Funds and Balances			3,000	2,500	2,500	2,500	2,500

PORT HEDLAND PORT AUTHORITY

ASSET INVESTMENT PROGRAM

The Authority's 2009-10 asset investment program totals \$134.2 million, of which \$130 million has been allocated to complete the multi-purpose berth and bulk loading facility at Utah Point to meet the future demands of the expanding minerals exports from the Pilbara.

In addition, \$4.2 million has been provided for infrastructure enhancements required to meet the operational requirements of the Port.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
WORKS IN PROGRESS							
Utah Point Berth – Multi-user Panamax Berth	215,700	85,700	80,000	130,000	-	-	-
COMPLETED WORKS							
Additional Tug Pens 9 and 10	2,424	2,424	300	-	-	-	-
Minor Works							
2007-08 Program	4,174	4,174	1,250	-	-	-	-
2008-09 Program	6,700	6,700	6,700	-	-	-	-
NEW WORKS							
Maintenance Dredging.....	30,000	-	-	-	15,000	-	-
Minor Works							
2009-10 Program	4,200	-	-	4,200	-	-	-
2010-11 Program	4,400	-	-	-	4,400	-	-
2011-12 Program	2,850	-	-	-	-	2,850	-
2012-13 Program	1,550	-	-	-	-	-	1,550
Total Cost of Asset Investment Program	271,998	98,998	88,250	134,200	19,400	2,850	1,550
FUNDED BY							
Asset Sales			33	97	136	34	106
Borrowings.....			-	123,000	-	-	-
Internal Funds and Balances.....			8,217	11,103	19,264	2,816	1,444
Other.....			80,000	-	-	-	-

DISABILITY SERVICES COMMISSION

PART 7 - MINISTER FOR TRANSPORT; DISABILITY SERVICES

DIVISION 36

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 42 Net amount appropriated to deliver services	304,119	325,180	353,258	383,159	423,854	462,835	454,164
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	230	237	239	246	253	261	269
Total appropriations provided to deliver services	304,349	325,417	353,497	383,405	424,107	463,096	454,433
CAPITAL							
Item 133 Capital Appropriation.....	7,441	30	30	463	965	2,072	2,864
TOTAL APPROPRIATIONS	311,790	325,447	353,527	383,868	425,072	465,168	457,297
EXPENSES							
Total Cost of Services	366,002	387,685	437,498	470,666	527,974	584,826	585,998
Net Cost of Services ^(a)	301,949	325,926	354,118	384,026	424,728	463,717	455,054
CASH ASSETS ^(b)	15,892	2,547	15,659	16,299	16,939	17,579	18,219

(a) Represents total cost of services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.

(b) As at 30 June each financial year.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2008-09 Budget to Parliament on 8 May 2008 are outlined below.

	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Election Commitments					
Accommodation Support	450	4,530	9,730	19,290	19,290
Alternatives to Employment	5,400	10,800	12,500	14,300	14,300
Early Childhood Intervention	980	980	980	980	980
Indexation to Non-Government Sector	1,200	1,200	1,200	1,200	-
Media and Marketing, Advertising and Consultants Savings	(48)	(97)	(97)	(97)	(97)
Out-of-home Respite Facilities	-	450	1,700	2,388	2,624
School Age and Adult Professional Support	1,500	1,500	1,500	1,500	-
School Holiday Respite	470	1,090	1,090	1,090	-
3% Efficiency Dividend					
Staged Implementation of New Services Funded by the State	(1,333)	(2,428)	(1,392)	(336)	(992)
Efficiencies in the Area of Asset Management	(800)	(800)	(800)	(800)	(800)
Total Savings.....	(2,133)	(3,228)	(2,192)	(1,136)	(1,792)

RESOURCE AGREEMENT

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Minister, Accountable Authority and Treasurer under Part 3, Division 5 of the *Financial Management Act 2006*.

OUTCOMES, SERVICES AND KEY PERFORMANCE INFORMATION

Relationship to Government Goals

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the agency's services and desired outcome, and the government goal it contributes to. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Goal	Desired Outcome	Services
Outcomes-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	Enhance the environment and wellbeing of people with disabilities and their carers by the provision of necessary supports and services.	1. Accommodation Support 2. Individual and Family Support 3. Individual Coordination 4. Strategic Coordination

Service Summary

Expense	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
1. Accommodation Support.....	218,335	229,007	259,615	280,519	319,330	358,641	356,777
2. Individual and Family Support.....	102,739	110,932	131,738	143,100	160,028	176,311	178,633
3. Individual Coordination.....	30,101	33,059	30,924	31,365	32,143	32,819	33,081
4. Strategic Coordination.....	14,827	14,687	15,221	15,682	16,473	17,055	17,507
Total Cost of Services	366,002	387,685	437,498	470,666	527,974	584,826	585,998

Significant Issues Impacting the Agency

- The ageing of family carers is placing new and urgent demands on accommodation and community support services. Other factors impacting on demand include the changing and increasingly complex support needs of a growing number of people with disabilities as they age; the growing life expectancy of people with disabilities; and increased survival rates of people with severe and profound disabilities as a result of improvements to medical technology. In response to this continued and growing demand for accommodation support, support will be provided to an unprecedented number of people, an estimated 230 people, in 2009-10. This includes support provided under the new Community Living Support funding strategy which has been introduced to provide an expanded range of community accommodation support options as an alternative to traditional models of group homes, and to help address the growing demand for accommodation support.
- The demand for appropriately designed and accessible housing for people with disabilities significantly outstrips supply. The Commission is working closely with the Housing Authority and the disability sector to address this pressing issue.

- Almost 90 per cent of Western Australians with disabilities who require assistance receive support through family and friends. The provision of support for families and carers to help them to maintain their caring role is essential to maintaining individual and family wellbeing, reducing the risk of family breakdown, and avoiding the premature or inappropriate entry of people with disabilities into high cost residential care. In line with the Government's election commitments:
 - planning commenced for a new respite house in Broome, the first of five new respite houses to be developed to provide out-of-home respite for families. A second respite house will be developed in the metropolitan area in 2009-10; and
 - the Intensive Family Support funding strategy was revised, providing for more flexible support to a greater number of families.
- To assist school leavers with disabilities and their families transition from school to adulthood:
 - significant additional funding has been provided as part of the Government's election commitments to increase the number of days of alternatives to employment available to young adults under the age of 25 years;
 - assessments for Post School Options are being conducted earlier to allow more time for families to prepare and plan for the future; and
 - a program has been established in partnership with the Department of Education and Training to provide students with work experience in an alternative to employment service.
- The finalisation of the new National Disability Agreement, which replaces the previous Commonwealth State/Territory Disability Agreement provides a stronger base for disability funding from the Commonwealth. This includes an improved rate of indexation, and additional funding which will redress a previous existing funding inequity. Western Australia will be working jointly with other jurisdictions to progress a range of policy and reform agendas under the new agreement, including better measurement of unmet demand, quality improvement and increased access for Indigenous Australians.
- The People with Exceptionally Complex Needs pilot project has been established as a collaborative partnership between the Commission, the Office of Mental Health and the Office of the Public Advocate to provide a more effective and coordinated response to people with disabilities with exceptionally complex needs requiring support across multiple agencies. This is a very small but resource intensive group of individuals.
- An ongoing concern is the relatively low take-up of disability services by Indigenous people with disabilities and their families and carers. In response to this, new partnerships are being developed with locally-based service providers to increase their capacity to provide holistic, culturally appropriate services for Indigenous people with disabilities living in remote communities.
- Additional resources have been provided as a part of Government's election commitment to provide an additional 100 early childhood intervention places and increased disability professional services for school aged children and adults with disabilities. This is in recognition of the importance of well resourced therapy services to enhance the skills and independence of children and adults with disabilities.

Outcomes and Key Effectiveness Indicators ^(a)

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Outcome: Enhance the environment and wellbeing of people with disabilities and their carers by the provision of necessary supports and services:					
Take-up rate - the number of service users per 1,000 Western Australians who are in receipt of a Disability Support Pension	292	300	265	267	1

(a) Further detail in support of the key effectiveness indicators is provided in the agency's Annual Report.

Explanation of Significant Movements

(Notes)

- The variance between the 2008-09 Budget figure for the take-up rate and the 2008-09 Estimated Actual figure reflects a change in reporting by Western Australia at the national level.

Services and Key Efficiency Indicators

1: Accommodation Support

Accommodation support encompasses appropriate support for people with disabilities to live in a range of accommodation options including hostels, group homes or their own home. This includes support with personal care and independent living skills and may range from a few hours of support a week to 24 hour care.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 218,335	\$'000 229,007	\$'000 259,615	\$'000 280,519	
Less Income	26,842	26,015	42,316	43,138	
Net Cost of Service ^(a)	191,493	202,992	217,299	237,381	
Employees (Full Time Equivalents)	1070	1078	1088	1212	
Efficiency Indicators					
Average Cost Per Person	\$65,783	\$60,344	\$73,650	\$75,449	1

- (a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

Explanation of Significant Movements

(Notes)

- The variance between the 2008-09 Budget and the 2008-09 Estimated Actual is primarily reflective of improved data collection. It is also a result of increased service intensity.

2: Individual and Family Support

Individual and family support services include support to individuals to access positive and constructive day options, maintain health and develop individual skills and abilities, the provision of equipment and family support, and respite for carers.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 102,739	\$'000 110,932	\$'000 131,738	\$'000 143,100	
Less Income	31,394	30,231	35,712	37,961	
Net Cost of Service ^(a)	71,345	80,701	96,026	105,139	
Employees (Full Time Equivalents)	250	250	250	256	
Efficiency Indicators					
Average Cost Per Person	\$6,358	\$6,706	\$8,116	\$8,762	1

- (a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

Explanation of Significant Movements

(Notes)

- The variance between the 2008-09 Budget and the 2008-09 Estimated Actual is primarily a result of new funds provided for the Alternatives to Employment Program.

3: Individual Coordination

This service relates to the provision of a range of supports and strategies through Local Area Coordinators, who develop resources and support networks in local communities; provide information and link people with local resources and support networks; and also provide individualised funding to enable people with disabilities and their families to choose and purchase their own support and services directly.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 30,101	\$'000 33,059	\$'000 30,924	\$'000 31,365	
Less Income.....	3,231	3,153	2,806	2,884	
Net Cost of Service ^(a)	26,870	29,906	28,118	28,481	
Employees (Full Time Equivalents)	179	179	179	179	
Efficiency Indicators					
Average Cost Per Service User (Local Area Coordination)	\$2,469	\$2,611	\$2,528	\$2,466	
Average Cost Per Service User (Direct Consumer Funding).....	\$6,581	\$7,425	\$6,559	\$6,964	

- (a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

4: Strategic Coordination

This service includes:

- the monitoring of progress on Disability Access and Inclusion Plans;
- early identification and monitoring of issues which impact on people with disabilities and their carers;
- development and monitoring of the quality of disability services;
- community education and awareness raising;
- funding for advocacy and information services;
- the collection and analysis of data and information to inform the development of Government policy and services to all people with disabilities; and
- the support of peak organisations and complaint resolution services.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 14,827	\$'000 14,687	\$'000 15,221	\$'000 15,682	
Less Income.....	2,586	2,360	2,546	2,657	
Net Cost of Service ^(a)	12,241	12,327	12,675	13,025	
Employees (Full Time Equivalents)	47	47	47	47	
Efficiency Indicators					
Average Cost Per Project.....	\$111,481	\$110,429	\$117,085	\$123,480	

- (a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

ASSET INVESTMENT PROGRAM

The Commission's capital works expenditure for 2009-10 continues the preservation, upgrade and fit-out of the Commission's hostels, group homes, therapy centres and Local Area Coordination offices. The proposed work will enhance and sustain the economic life of the facilities and contribute to improved service delivery.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
COMPLETED WORKS							
Community Disability Housing Program							
2007-08	680	680	400	-	-	-	-
2008-09	882	882	882	-	-	-	-
Computer Replacement Program							
2007-08	307	307	200	-	-	-	-
2008-09	85	85	85	-	-	-	-
Group Homes Asset Replacement Program - 2008-09	100	100	100	-	-	-	-
Hostels Redevelopment Program - 2007-08	500	500	500	-	-	-	-
Renovation Program							
2006-07	852	852	630	-	-	-	-
2008-09	100	100	100	-	-	-	-
NEW WORKS							
Community Disability Housing Program							
2009-10	943	-	-	943	-	-	-
2010-11	935	-	-	-	935	-	-
2011-12	964	-	-	-	-	964	-
2012-13	910	-	-	-	-	-	910
Computer Replacement Program							
2009-10	70	-	-	70	-	-	-
2010-11	108	-	-	-	108	-	-
2011-12	550	-	-	-	-	550	-
Group Homes Asset Replacement Program							
2009-10	180	-	-	180	-	-	-
2010-11	175	-	-	-	175	-	-
2011-12	200	-	-	-	-	200	-
2012-13	365	-	-	-	-	-	365
Hostels Redevelopment Program							
2009-10	650	-	-	650	-	-	-
2010-11	950	-	-	-	950	-	-
2011-12	450	-	-	-	-	450	-
2012-13	920	-	-	-	-	-	920
Renovation Program							
2009-10	365	-	-	365	-	-	-
2010-11	301	-	-	-	301	-	-
2011-12	700	-	-	-	-	700	-
2012-13	669	-	-	-	-	-	669
Total Cost of Asset Investment Program	13,911	3,506	2,897	2,208	2,469	2,864	2,864
FUNDED BY							
Capital Appropriation			30	463	965	2,072	2,864
Asset Sales			1,730	-	-	-	-
Drawdowns from the Holding Account			1,137	1,745	1,504	792	-

FINANCIAL STATEMENTS**Income Statement***Expenses*

The income statement shows an estimated increase in the 2009-10 Total Cost of Services of \$33.2 million (7.6 per cent) when compared to 2008-09 Estimated Actual. This increase is represented by:

- enterprise bargaining agreement salary and wages increases and Social Trainers General Agreement 2006 revised parameters (Total \$8.6 million);
- election commitments of \$10.1 million in 2009-10;
- projects funded by the Commonwealth under the National Disability Agreement (\$10.1 million) and an adjustment for a one-off payment of \$7.1 million from the Commonwealth in 2008-09; and
- growth in accommodation and preventative services (\$15.1 million).

Income

The Income is estimated to be \$86.6 million for 2009-10. This represents an increase of \$3.2 million (3.9 per cent) compared to 2008-09 Estimated Actual. This increase is represented by:

- projects funded by the Commonwealth under National Disability Agreement (\$10.1 million); and
- an adjustment for a one-off payment of \$7.1 million from the Commonwealth in 2008-09.

Balance Sheet

The Commission's total net asset position (total equity) is expected to increase by \$0.5 million, between the 2008-09 Estimated Actual and 2009-10 Budget.

Cashflow Statement

The 2009-10 closing cash assets of \$16.3 million represents an increase of \$0.6 million in comparison to 2008-09 Estimated Actual. This is primarily attributable to the 27th pay provisions (\$0.6 million).

INCOME STATEMENT ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(c)	109,175	110,533	124,036	132,680	141,458	148,714	140,739
Grants and subsidies ^(d)	225,884	242,542	281,627	306,008	353,839	403,447	411,298
Supplies and services	16,856	20,820	18,298	18,505	19,133	19,475	20,714
Accommodation	6,526	6,213	5,798	5,822	6,053	6,172	6,260
Depreciation and amortisation	3,001	2,931	3,031	2,944	2,624	2,070	1,978
Other expenses	4,560	4,646	4,708	4,707	4,867	4,948	5,009
TOTAL COST OF SERVICES	366,002	387,685	437,498	470,666	527,974	584,826	585,998
Income							
Sale of goods and services	6,519	6,731	6,731	7,020	7,276	7,476	7,696
Grants and subsidies	52,474	52,956	74,577	77,548	93,898	111,561	121,176
Other revenue	5,060	2,072	2,072	2,072	2,072	2,072	2,072
Total Income	64,053	61,759	83,380	86,640	103,246	121,109	130,944
NET COST OF SERVICES	301,949	325,926	354,118	384,026	424,728	463,717	455,054
INCOME FROM STATE GOVERNMENT							
Service appropriations	304,349	325,417	353,497	383,405	424,107	463,096	454,433
Resources received free of charge	621	509	621	621	621	621	621
TOTAL INCOME FROM STATE GOVERNMENT	304,970	325,926	354,118	384,026	424,728	463,717	455,054
SURPLUS/(DEFICIENCY) FOR THE PERIOD	3,021	-	-	-	-	-	-
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	3,021	-	-	-	-	-	-

(a) Full audited financial statements are published in the agency's Annual Report.

(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

(c) The Full Time Equivalents (FTEs) for 2007-08 Actual, 2008-09 Estimated Actual and 2009-10 Estimate are 1,546, 1,564 and 1,694 respectively.

(d) Refer Details of Controlled Grants and Subsidies table below for further information.

Details of Controlled Grants and Subsidies

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Grants to External Service Providers	212,985	227,102	267,893	291,439	338,263	387,036	394,066
Grants to Internal Service Providers.....	12,899	15,440	13,734	14,569	15,576	16,411	17,232
TOTAL	225,884	242,542	281,627	306,008	353,839	403,447	411,298

BALANCE SHEET ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	2,792	60	2,792	2,792	2,792	2,792	2,792
Restricted cash	11,120	2,487	12,867	13,507	14,147	14,787	15,427
Holding account receivables	1,137	1,745	1,745	1,504	792	-	-
Receivables	2,339	2,003	2,378	2,392	2,407	2,422	2,422
Other	580	291	580	580	580	580	580
Total current assets	17,968	6,586	20,362	20,775	20,718	20,581	21,221
NON-CURRENT ASSETS							
Holding account receivables	12,201	14,165	14,265	16,507	19,165	22,060	24,864
Property, plant and equipment	48,928	40,863	48,633	49,781	50,803	52,547	54,076
Intangibles	2,889	1,380	2,091	1,296	751	480	480
Other	9,113	6,744	6,361	5,273	4,642	3,963	3,319
Total non-current assets	73,131	63,152	71,350	72,857	75,361	79,050	82,739
TOTAL ASSETS.....	91,099	69,738	91,712	93,632	96,079	99,631	103,960
CURRENT LIABILITIES							
Employee provisions	19,767	19,662	20,295	20,882	21,510	22,165	22,869
Payables	513	267	1,005	1,070	1,285	1,011	1,151
Other	12,254	1,722	11,604	12,153	12,556	13,448	13,903
Total current liabilities	32,534	21,651	32,904	34,105	35,351	36,624	37,923
NON-CURRENT LIABILITIES							
Employee provisions	6,307	6,399	6,520	6,776	7,012	7,219	7,385
Total non-current liabilities	6,307	6,399	6,520	6,776	7,012	7,219	7,385
TOTAL LIABILITIES.....	38,841	28,050	39,424	40,881	42,363	43,843	45,308
EQUITY							
Contributed equity	16,350	16,380	16,380	16,843	17,808	19,880	22,744
Accumulated surplus/(deficit)	(25,968)	(29,751)	(25,968)	(25,968)	(25,968)	(25,968)	(25,968)
Reserves	61,876	55,059	61,876	61,876	61,876	61,876	61,876
Total equity.....	52,258	41,688	52,288	52,751	53,716	55,788	58,652
TOTAL LIABILITIES AND EQUITY.....	91,099	69,738	91,712	93,632	96,079	99,631	103,960

(a) Full audited financial statements are published in the agency's Annual Report.

(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

CASHFLOW STATEMENT ^(a)
(Controlled)

	2007-08 Actual	2008-09 Budget ^(b)	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	300,154	321,708	349,688	379,659	420,657	460,200	451,630
Capital appropriation	7,441	30	30	463	965	2,072	2,864
Holding account drawdowns	689	1,137	1,137	1,745	1,504	792	-
Net cash provided by State Government.....	308,284	322,875	350,855	381,867	423,126	463,064	454,494
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(105,828)	(109,388)	(124,283)	(131,333)	(140,141)	(147,009)	(139,414)
Grants and subsidies	(225,884)	(242,542)	(281,627)	(306,008)	(353,839)	(403,447)	(411,298)
Supplies and services	(17,453)	(20,298)	(17,367)	(18,016)	(18,575)	(19,153)	(20,147)
Accommodation.....	(6,357)	(6,080)	(5,486)	(5,682)	(5,885)	(6,092)	(6,092)
Other payments	(28,567)	(32,225)	(33,902)	(37,190)	(42,021)	(47,094)	(47,360)
Receipts							
Grants and subsidies	62,284	52,956	74,577	77,548	93,898	111,561	121,176
Sale of goods and services	6,373	6,731	6,731	7,058	7,252	7,452	7,657
GST receipts.....	24,277	27,596	29,364	32,532	37,222	42,150	42,416
Other receipts	4,653	2,072	2,072	2,072	2,072	2,072	2,072
Net cash from operating activities.....	(286,502)	(321,178)	(349,921)	(379,019)	(420,017)	(459,560)	(450,990)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(1,850)	(1,167)	(2,897)	(2,208)	(2,469)	(2,864)	(2,864)
Proceeds from sale of non-current assets	-	-	1,730	-	-	-	-
Net cash from investing activities.....	(1,850)	(1,167)	(1,167)	(2,208)	(2,469)	(2,864)	(2,864)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(7,441)	-	-	-	-	-	-
Net cash from financing activities.....	(7,441)	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	12,491	530	(233)	640	640	640	640
Cash assets at the beginning of the reporting period	3,401	2,017	15,892	15,659	16,299	16,939	17,579
Cash assets at the end of the reporting period.....	15,892	2,547	15,659	16,299	16,939	17,579	18,219

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Part 8

Treasurer; Minister for Commerce; Science and Innovation; Housing and Works

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000
471	Treasury and Finance			
	– Delivery of Services.....	178,347	181,344	191,300
	– Administered Grants, Subsidies and Other Transfer Payments	1,667,617	1,994,410	2,208,333
	– Capital Appropriation	202,318	185,470	39,190
	– Administered Capital Contribution	719,317	680,457	747,026
	Total	2,767,599	3,041,681	3,185,849
498	Economic Regulation Authority			
	– Delivery of Services.....	6,568	6,529	6,446
	Total	6,568	6,529	6,446
507	Office of the Auditor General			
	– Delivery of Services.....	17,165	17,160	17,281
	– Capital Appropriation	145	145	255
	Total	17,310	17,305	17,536
516	Commerce			
	– Delivery of Services.....	134,261	141,438	124,651
	– Capital Appropriation	10,329	7,550	1,611
	Total	144,590	148,988	126,262
530	Small Business Development Corporation			
	– Delivery of Services.....	12,961	13,038	12,408
	– Capital Appropriation	134	34	84
	Total	13,095	13,072	12,492

Part 8

Treasurer; Minister for Commerce; Science and Innovation; Housing and Works

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000
539	Registrar, Western Australian Industrial Relations Commission			
	– Delivery of Services.....	10,740	10,699	10,708
	Total	10,740	10,699	10,708
547	Housing Authority			
	– Delivery of Services.....	133,252	212,622	137,551
	– Capital Appropriation	110,860	147,510	542,603
	Total	244,112	360,132	680,154
	GRAND TOTAL			
	– Delivery of Services.....	2,160,911	2,577,240	2,708,683
	– Administered Grants, Subsidies and Other Transfer Payments	1,667,617	1,994,410	2,208,333
	– Capital Appropriation	318,827	338,529	583,643
	– Administered Capital Appropriation.....	719,317	680,457	747,026
	Total.....	4,866,672	5,590,636	6,247,685

TREASURY AND FINANCE

PART 8 - TREASURER; MINISTER FOR COMMERCE; SCIENCE AND INNOVATION; HOUSING AND WORKS

DIVISION 37

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 43 Net amount appropriated to deliver services	149,685	177,282	179,591	189,480	187,951	219,696	161,331
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	1,187	1,065	1,753	1,820	1,890	1,963	2,022
Total appropriations provided to deliver services	150,872	178,347	181,344	191,300	189,841	221,659	163,353
ADMINISTERED TRANSACTIONS							
<i>Community Service Obligation Payments</i>							
Item 44 - Electricity Retail Corporation (Synergy).....	22,936	31,336	31,587	290,156	169,169	71,639	88,225
Item 45 - Forest Products Commission	1,892	3,370	2,189	3,370	3,370	3,370	3,370
Item 46 - Regional Power Corporation (Horizon Power).....	21,138	37,108	34,765	57,439	46,374	38,917	40,884
Item 47 - Water Corporation of Western Australia.....	399,363	445,784	445,896	500,983	502,560	509,269	515,183
Item 48 - Western Australian Land Authority.....	34,097	25,846	22,220	44,933	38,994	34,454	34,514
<i>Grants, Subsidies and Transfer Payments</i>							
Item 49 - Aerial Shark Surveillance Program	156	185	287	194	204	214	225
Item 50 - Armadale Redevelopment Authority.....	1,450	1,720	1,720	1,790	1,810	1,830	-
Item 51 - Broome Port Authority.....	420	405	389	372	372	360	342
Item 52 - Department for Child Protection ^(a)	4,288	15,300	15,300	14,200	28,300	-	-
Item 53 - First Home Owners' Assistance.....	109,779	111,000	241,700	122,010	104,660	113,760	113,760
Item 54 - Goods and Services Tax (GST) Administration Costs.....	60,414	65,300	65,400	65,000	66,200	67,700	69,100
Item 55 - Office of Health Review	1,613	1,642	1,679	1,672	1,710	1,765	1,765
Item 56 - Pensioners Concessions - Emergency Services Levy	7,783	10,809	10,809	11,360	11,883	12,400	12,939
Item 57 - Pensioners Concessions - Local Government and Water Rates.....	50,793	59,430	59,430	62,461	65,334	68,176	71,142
Item 58 - Provision for Unfunded Liabilities in the Government Insurance Fund	3,108	6,180	1,460	2,079	2,145	2,264	2,304
Item 59 - Refund of Past Years Revenue Collections - Public Corporations	176	5,000	25,000	5,000	5,440	5,000	5,000
Item 60 - Refund of Past Years Revenue Collections - All Other	34,586	39,800	135,600	33,585	35,869	39,278	43,238
Item 61 - Rottnest Island Authority	2,200	2,200	2,200	2,200	2,200	2,200	2,200
Item 62 - Royalties for Regions Fund ^(b)	-	-	299,600	289,400	353,058	349,489	373,940
<i>Comprising:</i>							
Country Local Government Fund.....	-	-	100,000	100,000	100,000	100,000	100,000
Regional Community Services Fund.....	-	-	21,348	57,821	98,167	98,969	113,160
Regional Infrastructure and Headworks Fund	-	-	167,560	116,090	154,891	150,520	160,780
Regional and State-wide Initiatives	-	-	10,692	15,489	-	-	-

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Item 63 – State Property – Emergency							
Services Levy	11,951	12,000	12,000	12,000	14,000	14,000	14,000
Item 64 – Voluntary Severance Package ^(c)	-	-	-	48,000	-	-	-
Item 65 - Water Corporation of Western Australia - State Water Strategy Rebate							
Scheme	8,663	9,000	3,000	500	-	-	-
Item 66 - Wine Equalisation Tax Rebate	-	9,700	9,700	3,600	2,700	2,700	2,700
Item 67 - All Other Grants, Subsidies and Transfer Payments ^(d)	29,761	14,417	14,623	12,860	13,355	14,699	15,348
<i>Comprising:</i>							
Acts of Grace	-	2	-	2	2	2	2
ANZAC Day Trust.....	300	300	300	300	300	300	300
Consumer Utilities Program - Western Australian Council of Social Service.....	340	170	170	-	-	-	-
Incidentals.....	-	38	-	38	38	38	38
Interest on Public Moneys held in Participating Trust Fund Accounts	19,756	3,327	3,573	1,264	1,489	2,528	2,864
Life Support Equipment Electricity Subsidy Scheme	423	560	560	569	578	587	597
On-Road Diesel Subsidies	8,470	9,120	9,120	9,439	9,722	9,990	10,264
Public Swimming Pools – Operating Costs Subsidy.....	304	300	300	300	300	300	300
Stamp Duty Concessions on Farming Properties.....	11	100	100	-	-	-	-
State Supply Commission	-	-	-	50	-	-	-
Thermoregulatory Dysfunction Energy Subsidy Scheme	157	500	500	508	516	524	533
Western Australian Treasury Corporation Management Fees	-	-	-	390	410	430	450
Department for Communities ^(a)	422	401	401	-	-	-	-
Department of Corrective Services ^(e)	-	-	-	-	5,600	27,800	37,800
Department of Indigenous Affairs ^(f)	-	4,928	-	-	-	-	-
Electricity Generation Corporation (Verve Energy) – Part Reimbursement of Land Sales.....	158	1	1	-	-	-	-
HHI Insurance – Assistance to Local Government.....	43	-	-	-	-	-	-
HHI Insurance Rescue Package.....	16	220	220	-	-	-	-
Matrix Fleet Leasing – Tax Settlement	14,000	-	-	-	-	-	-
Payroll Tax Rebate	-	-	-	-	100,000	-	-
Provision for the outcome of CSA EBA Negotiations ^(g)	-	52,025	-	-	-	-	-
Water Corporation of Western Australia – Part Reimbursement of Land Sales	700	800	-	-	-	-	-
Western Australian Building Management Authority – Interest	4,000	312	312	-	-	-	-
<i>Authorised by Other Statutes</i>							
Gold Corporation Act 1987	19	30	30	30	30	30	30
Judges' Salaries and Pensions Act 1950	7,014	6,780	7,310	7,615	8,001	8,406	8,831
Parliamentary Superannuation Act 1970	5,034	15,420	12,230	6,065	6,309	6,564	13,778
Salaries Provision - Special Division and Prescribed Office Holders ^(h)	-	882	-	-	-	-	-
State Superannuation Act 2000.....	1,092,942	658,376	517,405	560,373	588,270	614,565	636,042
Tobacco Products Control Act 2006.....	18,635	19,110	19,147	19,596	20,087	20,649	21,221
Unclaimed Money Act 1990.....	857	750	750	750	750	750	750
Unclaimed Money (Superannuation and RSA Providers) Act 2003	282	50	50	40	20	-	-
Western Australian Treasury Corporation Act 1986 – Interest	-	-	-	28,700	168,100	321,100	477,000
Total Administered.....	1,950,689	1,667,617	1,994,410	2,208,333	2,366,874	2,353,348	2,605,631
CAPITAL							
Item 134 Capital Contribution	97,571	202,318	185,470	39,190	37,545	12,091	2,739

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
<i>Government Equity Contributions</i>							
Item 135 - Armadale Redevelopment							
Authority.....	4,000	10,500	10,500	6,000	2,000	-	-
Item 136 – Department of Corrective Services ^(e)	-	-	-	53,000	53,700	110,300	140,946
Item 137 – WA Health ⁽ⁱ⁾	94,096	242,137	188,721	169,977	163,651	152,748	128,757
Item 138 – Electricity Generation Corporation (Verve Energy)	-	11,210	-	83,277	212,874	17,290	-
Item 139 – Electricity Networks Corporation (Western Power)	6,000	6,651	654	651	809	636	-
Item 140 – Forest Products Commission	1,270	1,200	16,270	1,200	1,200	1,200	1,200
Item 141 – Fremantle Port Authority	213	212	212	210	3,104	2,000	-
Item 142 – Port Hedland Port Authority	-	-	-	21,000	-	-	-
Item 143 – Regional Power Corporation (Horizon Power)	5,597	19,976	1,088	10,612	10,278	-	-
Item 144 – Royalties for Regions Fund ^(b)	-	-	34,400	329,600	292,942	315,511	319,060
<i>Comprising:</i>							
Regional Infrastructure and Headworks Fund	-	-	34,400	329,600	278,300	270,541	203,226
Regional and State-wide Initiatives	-	-	-	-	14,642	44,970	115,834
Item 145 – Water Corporation of Western Australia	-	7,210	7,210	7,730	8,280	8,860	9,490
Item 146 – Western Australian Land Authority	58,000	49,922	49,922	19,700	-	-	-
Albany Port Authority.....	3,785	-	-	-	-	-	-
Broome Port Authority.....	1,249	350	350	-	-	-	-
Rottnest Island Authority.....	5,656	8,458	7,623	-	-	-	-
Western Australian Building Management Authority ⁽ⁱ⁾	8,200	62,724	62,724	-	-	-	-
Department for Child Protection ^(a)	200	-	-	-	-	-	-
Department for Communities ^(a)	200	-	-	-	-	-	-
Department of Indigenous Affairs ^(f)	-	1,830	-	-	-	-	-
Midland Redevelopment Authority.....	6,216	-	-	-	-	-	-
Western Australian Coastal Shipping Commission	17,500	-	-	-	-	-	-
Western Australian Meat Industry Authority	-	5,000	5,000	-	-	-	-
<i>Other</i>							
Item 147 - Perry Lakes Trust Account	24,571	70,937	70,937	23,869	1,166	-	-
Fiona Stanley Hospital Construction Account	1,088,585	221,000	221,000	-	-	-	-
<i>Authorised by Other Statutes</i>							
Loans (Co-operative Companies) Act 2004 .. Western Australian Treasury Corporation Act 1986 - Capital Repayments	3,000	-	3,846	-	-	-	-
	-	-	-	20,200	110,500	180,800	242,500
Total Administered Capital Contribution ...	1,328,338	719,317	680,457	747,026	860,504	789,345	841,953
GRAND TOTAL	3,527,470	2,767,599	3,014,681	3,185,849	3,454,764	3,376,443	3,613,676
CONTROLLED EXPENSES ^(k)							
Total Cost of Services.....	1,125,653	1,267,987	1,343,368	1,476,603	1,500,712	1,563,021	1,545,331
Net Cost of Services ^(l)	143,907	188,958	190,021	197,965	196,037	230,223	171,521
CASH ASSETS ^(m)	82,302	80,497	72,003	65,249	67,144	65,330	61,944

(a) Reflects global funding that was applied to the Ford Review recommendations as part of the Government's response to child protection operations. The Department for Child Protection and the Department for Communities were required to submit business cases for Government approval to access these funds.

- (b) Appropriations to the Royalties for Regions Special Purpose Account are split between payments for recurrent and capital purposes (based on project information). Together, these two items equal 25% of royalty income in each year (half year impact in 2008-09) less \$25 million of savings per annum as part of the corrective measures included in this budget. Further detail on the Royalties For Regions program are available in Budget Paper No. 3: Economic and Fiscal Outlook.
- (c) Represents the Government's Voluntary Severance Scheme, which will subsequently be reflected in agency estimates.
- (d) Includes all Administered Grants, Subsidies and Transfers not covered elsewhere by individual Acts.
- (e) Reflects global funding to be applied to the Custodial Infrastructure Program to be undertaken by the Department of Corrective Services (DCS). DCS is required to submit business cases and planning details for Government approval to access these funds.
- (f) Reflects global funding applied for the restructure of the Department of Indigenous Affairs (DIA). The DIA will be able to access these funds subject to the approval of Government.
- (g) Represented the Government's offer to the Civil Service Association as at the cut-off date for the 2008-09 Budget. These funds were subsequently transferred to individual agency budgets during 2008-09.
- (h) Represented the Salaries and Allowances Tribunal decision of 4 April 2008 to increase the annual remuneration of officers in this division. These funds were subsequently transferred to individual agency budgets during 2008-09.
- (i) Reflects global funding to be applied to broader health reforms and related broader health initiatives as part of WA Health's Asset Investment Program. WA Health is required to submit business cases and planning details for Government approval to access these funds.
- (j) The functions of the Western Australian Building Management Authority (WABMA) were transferred to the Department of Housing and Works (DHW) as part of the Machinery of Government changes in 2002-03. For legal reasons, loans held by the WABMA cannot be transferred to the DHW. The Consolidated Account provides appropriation support for the interest and capital repayments associated with this debt. These debts were paid out in 2008-09 using surplus funds from 2007-08.
- (k) Figures have been adjusted due to the transfer of the works functions, on 1 February 2009, from the DHW into the DTF. These may not be directly comparable to previously published information. Comparability adjustments have also been made to include the State Supply Commission (2007-08 Actual, 2008-09 Budget and 2008-09 Estimated Actual) as well as State Fleet (2007-08 Actual).
- (l) Represents total cost of services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (m) As at 30 June each financial year.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2008-09 Budget to Parliament on 8 May 2008 are outlined below.

	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Election Commitments					
Land Tax Measures.....	165	700	73	76	80
Payroll Tax Rebate and Harmonisation Options.....	-	305	71	-	-
Media and Marketing, Advertising and Consultants Savings.....	(142)	(285)	(285)	(285)	(285)
3% Efficiency Dividend					
Building Management and Works - Delay Filling of Vacant Positions	(200)	(451)	(488)	(505)	(588)
Building Management and Works - Reduce Consultancy Services	(37)	(74)	(87)	(88)	(99)
Building Management and Works – Savings in Corporate Services Achieved as Part of the Transfer from Former Department of Housing and Works to the Department of Treasury and Finance	(49)	(102)	(128)	(135)	(153)
Building Management and Works - Reduce Supplies and Services, Including Human Resources and Consultancy Services.....	(101)	(226)	(244)	(253)	(269)
Building Management and Works – Postpone Implementation of the Fremantle Prison Heritage Precinct Master Plan to Allow Original Schedule to be Met.....	(46)	(97)	(107)	(102)	(115)
Building Management and Works - Suspension of Work on '5 Star Plus Stage 2' Sustainability Plan, to be Replaced with a New, More Cost-Effective Sustainability Policy Framework.....	(55)	(35)	(43)	(45)	(51)
CEIID Initiative - Cease Use of Consultants and Graduate Program.....	(1,030)	(1,182)	(1,170)	(1,138)	(1,110)
Gateway Initiative – Reduction in Reliance on External Resources	-	(596)	(599)	(602)	(605)
ICT and Strategic Procurement Sourcing – Reduction in Use of Consultants	(40)	(256)	(261)	(266)	(366)
Procurement – Reduction in business development, reporting and analysis	(182)	(423)	(432)	(605)	(621)
Procurement – FTE savings achieved through natural attrition and realignment of duties.....	-	(111)	(114)	(117)	(121)
Shared Services – Reduction in Use of Consultants	-	(100)	(100)	(100)	(100)
Shared Services – Rationalisation of Staff while Maintaining Focus on Core Transactional Areas of Accounts and Payroll Processing.....	(251)	(414)	(415)	(446)	(465)
State Revenue – Rationalisation of Staff to Focus on Areas of Greatest Risk and Revenue Yield.....	(1,191)	(2,451)	(2,460)	(2,581)	(2,657)
Total Savings	(3,182)	(6,518)	(6,648)	(6,983)	(7,320)

RESOURCE AGREEMENT

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Accountable Authority and Treasurer under Part 3, Division 5 of the *Financial Management Act 2006*.

OUTCOMES, SERVICES AND KEY PERFORMANCE INFORMATION**Relationship to Government Goals**

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the agency's services and desired outcomes, and the government goal it contributes to. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Goals	Desired Outcomes	Services
Financial and Economic Responsibility: Responsibly managing the State's finances through the efficient and effective delivery of services, encouraging economic activity and reducing regulatory burdens on the private sector.	Sustainable and transparent public sector finances.	1. Financial management and reporting 2. State Fleet Service
	A strong and competitive State economy.	3. Economic and revenue forecasts and policy development
	Due and payable revenue is collected and eligible grants, subsidies and rebates paid.	4. Revenue assessment and collection 5. Grants and subsidies administration
Outcomes-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	Value for money outcomes in service delivery and infrastructure provision.	6. Evaluation and planning of government service delivery and infrastructure provision
	Value for money from public sector procurement.	7. Facilitate the development and management of agency specific contracts 8. Development and management of whole-of-government common use contract arrangements 9. Development and management of whole-of-government procurement systems and standards
	Value for money from shared corporate services.	10. Project management, coordination and implementation of the whole-of-government shared corporate services reform 11. Provision of financial, human resources services and online services
State Building – Major Projects: Building strategic infrastructure that will create jobs and underpin Western Australia's long-term economic development.	Value for money from the management of the Government's non-residential buildings and public works.	12. Facilitate the Centre for Excellence and Innovation in Infrastructure Delivery (CEIID) 13. Facilitate the planning and delivery of new Government buildings 14. Facilitate the planning and delivery of Government building maintenance 15. Facilitate the planning and delivery of Government Office accommodation

Service Summary

Expense	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
1. Financial Management and Reporting.....	7,123	6,843	6,628	7,055	7,276	7,359	7,548
2. State Fleet Service	76,387	79,838	85,605	94,894	101,794	104,894	112,716
3. Economic and Revenue Forecasts and Policy Development.....	7,534	8,488	10,205	10,439	10,761	10,885	11,174
4. Revenue Assessment and Collection.....	39,907	39,489	40,004	40,593	38,950	39,225	39,432
5. Grants and Subsidies Administration	2,791	2,835	4,003	3,857	3,702	3,729	3,749
6. Evaluation and Planning of Government Service Delivery and Infrastructure Provision	9,873	10,305	13,272	14,050	14,477	14,647	15,042
7. Facilitate the Development and Management of Agency Specific Contracts ..	18,080	18,922	20,719	21,075	21,477	21,953	22,177
8. Development and Management of Whole-Of-Government Common Use Contract Arrangements.....	8,729	9,104	7,417	6,681	6,778	6,746	6,897
9. Development and Management of Whole-Of-Government Procurement Systems and Standards	6,671	6,871	7,058	7,200	7,018	7,125	7,204
10. Project Management, Coordination and Implementation of the Whole-Of-Government Shared Corporate Services Reform.....	6,269	15,304	16,414	13,402	13,701	17,044	16,905
11. Provision of Financial, Human Resources Services and Online Services	45,460	57,822	54,209	62,634	65,425	72,556	76,797
12. Facilitate the Centre for Excellence and Innovation In infrastructure Delivery (CEIID)	1,865	4,146	2,497	1,681	1,657	1,623	1,599
13. Facilitate the Planning and Delivery of New Government Buildings	579,472	687,332	708,192	814,397	819,402	855,447	809,840
14. Facilitate the Planning and Delivery of Government Building Maintenance	164,720	164,880	182,984	188,927	195,433	203,414	213,490
15. Facilitate the Planning and Delivery of Government Office Accommodation	150,772	155,808	184,161	189,718	192,861	196,374	200,761
Total Cost of Services	1,125,653	1,267,987	1,343,368	1,476,603	1,500,712	1,563,021	1,545,331

Significant Issues Impacting the Agency

Treasury

- In these very difficult financial and economic circumstances, Department of Treasury and Finance's (DTF) advice to Government will focus very intensely on ensuring value for money outcomes, identifying opportunities for reform in service delivery, and ensuring the State's long-term financial sustainability.
- The new Commonwealth-State financial framework agreed at the November 2008 Council of Australian Governments (COAG) meeting increases the accountability of Governments for improvements in outcomes and service delivery, and provides stronger incentives for State Governments to implement specific economic and social reforms. DTF will work closely with the Department of the Premier and Cabinet and line agencies in ensuring the successful implementation of the COAG reforms, with a particular focus on evaluating agencies' performance and maximising value for money outcomes from the new arrangements.

- DTF has played a critical role in assisting the Government frame its first budget. DTF will continue to support the Government's Economic and Expenditure Reform Committee, managing the asset investment program and assisting with the Economic Audit process. DTF will work closely with the Treasurer to achieve the financial goals and targets of the Government, as it moves through its first year and into the implementation of its first budget. There are clearly many challenges ahead.
- In December 2008 the Government approved development and implementation of a best practice system of review for new and amending regulatory proposals. The new system will mean that regulations will be rigorously assessed to ensure that the benefits of regulations exceed the costs. The new Regulatory Impact Assessment system, developed by DTF in close collaboration with agencies, will be implemented in 2009-10.

Government Procurement

- Adjustments to more sustainable financial settings for the State will require government agencies to implement efficiencies. Procurement of goods and services presents real opportunities in this regard. DTF will work with agencies to enhance the planning, scheduling and resourcing of their procurement, as well as enhance their contract management. The merger of the State Supply Commission into DTF will improve the strategic management and oversight of public sector procurement. The effective independent oversight and auditing of outcomes will be a clear deliverable with this reform in 2009.
- The importance of regional purchasing will continue to be promoted through Regional Buying Centres. The integration of the delivery of goods and services and works procurement in the regions will be improved following the transfer of the works procurement function from the former Department of Housing and Works to DTF.
- There will continue to be an increasing demand for improved procurement information and systems. To this end, the new Tenders Western Australia and Contracts Western Australia websites will provide suppliers and government buyers with greater functionality and improved information. Increasing requests for analysis of agency and whole-of-government procurement spend will be supported by the continued development of the Procurement Data Warehouse.
- Sustainability is emerging as a national issue in procurement. The aim is to support socially and environmentally sustainable procurement. DTF will continue to work with other jurisdictions through the Australian Procurement and Construction Council on a range of sustainability related projects.

State Revenue

- The slowdown in economic activity has had a mixed impact on the revenue business. Slower property market transactional activity has reduced workloads in some of the duty types. However, this has been offset in part by higher than usual activity levels in the first home buyer segment of the property market which has responded strongly to the First Home Owners Boost stimulus announced in October 2008. Furthermore, tougher trading conditions have led to cash flow pressures for a number of businesses which has increased the risk in some instances of them not meeting their tax obligations. Compliance and recovery processes and settings are being examined in light of this changed environment.
- Efforts are continuing in the areas of reducing customer compliance costs and red tape. Apart from ongoing process improvement activities within the revenue business, a proposal is being finalised which has been developed in conjunction with industry to improve the lodgement and payment arrangements associated with the duties regime. Furthermore, the revenue business is actively involved in three of the 27 initiatives signed up to by the State as part of the COAG reform agenda in the area of business regulation, namely payroll tax harmonisation, the inclusion of payroll tax in the Commonwealth's Standard Business Reporting initiative, and ongoing efforts to implement a National Electronic Conveyancing system.
- Progress continues to be made in improving data access and management associated with the revenue business, something which is key to reducing compliance costs for customers and improving compliance. This has involved identification and sourcing key data sets, while ensuring the storage and usage of that data is subject to appropriate controls and protections. Apart from working with various State agencies, work continues in the sharing of such data with a number of Commonwealth agencies, including the Australian Taxation Office.

Shared Services

- The Shared Service Centre now provides services to 32 agencies, with the following ten agencies going live during 2008-09:
 - Commissioner for Equal Opportunity;
 - Commissioner of Main Roads;
 - DTF (Human Resources/Payroll rejoin);
 - Office of Energy;
 - Office of the Information Commissioner;
 - Office of Native Title;
 - Public Sector Commission;
 - State Supply Commission;
 - Peel Development Commission; and
 - Great Southern Development Commission.
- Ten of the 32 agencies receive the full suite of services from the Integrated Oracle System (finance, procurement, Human Resources/Payroll).
- The roll-in of Main Roads during the year was a significant achievement as it involved a major enhancement to the whole-of-government finance solution with the deployment of the project accounting module which will be required for other infrastructure agencies to roll-in.
- Significant volumes of transactions are now being processed through the DTF Shared Service Centre with value of revenue and expenditure transactions reaching around \$1.9 billion per annum. Approximately 2,000 staff are also paid through the Oracle Payroll System.
- In 2009-10, the challenge is to accelerate the roll-in of agencies and reach the critical mass needed to achieve greater efficiencies. This will enable the cost of the substantial investment in Shared Services to generate meaningful returns.

Building Management and Works

- On 1 February 2009, the 'works' functions of the former Department of Housing and Works were transferred to the DTF as a new business called Building Management and Works (BMW). A Works Reform Program has now commenced with the objective of improving project outcomes (time, cost and quality). This will cover new buildings, existing building management and government office accommodation.
- BMW will take a lead role in strengthening the implementation of the strategic asset management for the non-residential building program. This will involve supporting Government agencies with strategic asset planning and business case development. The objective is to significantly improve planning for new capital works, building maintenance and disposal.
- The key focus in 2009-10 will be to improve project management capability, and strengthen involvement in project definition and delivery. This will, in turn, enable better control of project timelines, scope and budget. Where appropriate, BMW will develop and adopt non-traditional delivery strategies (e.g. design, construct and maintain as an integrated contract), including Public Private Partnerships (PPPs).
- A further challenge for the year ahead will be the delivery of over \$1.1 billion of school building and maintenance as part of the Federal Government stimulus package, over the next two years. The timeframes for this program require innovative fast-track approaches to planning and procurement. The program will support a diverse range of suppliers within the building industry, including regional suppliers.

Outcomes and Key Effectiveness Indicators ^(a)

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Outcome: Sustainable and transparent public sector finances:					
Status of the State's credit rating	Triple-A	Triple-A	Triple-A	Triple-A	
Unqualified audit opinion on the Annual Report on State Finances.....	Yes	Yes	Yes	Yes	
Profitability of the State's light vehicle fleet	\$11,703	\$6,318	\$10,186	\$9,319	
Outcome: A strong and competitive State economy:					
Accuracy of key general government revenue forecasts: ^(b)					
- Tax and mining revenue	9.4%	+/- 5%	-7.1%	+/- 5%	1
- GST revenue	0.8%	+/- 3%	-9.7%	+/- 3%	2
Accuracy of key economic forecasts: ^(b)					
- Employment level.....	0.22%	+/- 0.5%	0.25%	+/- 0.5%	3
- GSP growth.....	0.82%	+/- 1.0%	1.21%	+/- 1.5%	3
Outcome: Due and payable revenue is collected and eligible grants, subsidies and rebates paid:					
Extent to which due revenue is collected	88%	89%	92%	90%	
Overdue debt as a percentage of revenue raised	1.08%	1.00%	1.67%	1.82%	
Extent to which correct grants, subsidies and rebates are paid	99%	99%	99%	99%	
Outcome: Value for money outcomes in service delivery and infrastructure provision:					
Percentage of the Department's material resource allocation recommendations complying with the service provision analysis framework ^(c)	n/a	n/a	n/a	90%	
Percentage of highest value agencies complying with the Strategic Asset Management framework or equivalent accredited mechanism ^(d)	n/a	n/a	n/a	75%	
Outcome: Value for money from public sector procurement:					
Extent to which client agencies agree that common use contract arrangements achieved value for money	83%	85%	85%	85%	
Extent to which client agencies agree that their contract arrangements achieved value for money	86%	85%	85%	85%	
Extent to which client agencies agree that the Department's procurement reports and education programs have facilitated improved value for money ...	n/a	85%	85%	85%	
Outcome: Value for money from shared corporate services:					
Progress with the reform of the Western Australian public sector for shared services by achievement of the following milestones:					
- number of agencies rolling in by financial quarter	Qtr 1-1 Qtr 2-6 Qtr 3-2 Qtr 4-0	Qtr 1-3 Qtr 2-2 Qtr 3-3 Qtr 4-0	Qtr 1-2 Qtr 2-3 Qtr 3-3 Qtr 4-2	Qtr 1-2 Qtr 2-3 Qtr 3-6 Qtr 4-2	4
- percentage of agencies rolled in compared to the total number to be rolled in.....	24%	31%	33%	43%	
Percentage of services provided within established timeframes.....	83%	90%	95%	90%	
Accuracy of services provided	100%	100%	100%	100%	
Average resolution rate of enquiries (within 6 working days).....	79%	99%	83%	80%	

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Outcome: Value for money from the management of the Government's non-residential buildings and public works:					
Extent to which client agencies agree that the CEIID program has resulted in improved value for money outcomes in infrastructure delivery	39%	85%	85%	85%	
Extent to which client agencies agree that the planning and delivery of their new buildings has achieved value for money	n/a	n/a	n/a	85%	5
Extent to which client agencies agree that the planning and delivery of their building maintenance has achieved value for money	n/a	n/a	n/a	85%	5
Extent to which client agencies agree that their office accommodation has achieved value for money	n/a	n/a	n/a	85%	5

- (a) Further detail in support of the key effectiveness indicators is provided in the agency's Annual Report.
- (b) The target for the level of accuracy is expected to change depending on the degree of volatility expected in the economy for the coming budget year. However, an initial target between 5 – 10 per cent is likely.
- (c) This indicator will be supplemented at a lower level by analysis of long-term trends in key indicators for major areas of service provision such as health, education and law and order. However, these are subject to many factors outside of the DTF's control and can therefore only be considered peripheral indicators of value for money.
- (d) The highest value agencies will be determined based on their total capital works program over the forward estimates. The target will be to ensure at least 80 per cent of the value of the total capital works program is subject to thorough analysis under the Strategic Asset Management (SAM) framework or equivalent mechanism for power, water and other agencies not subject to the SAM framework. Lower value capital programs are more likely to be subject to an increased level of subjective decision-making, as they may not readily lend themselves to net present value or other value for money analysis.

Explanation of Significant Movements

(Notes)

1. Tax revenue is likely to fall below the 2008-09 Budget forecast due to weaker than expected economic activity, particularly in the State's property market.
2. Growth in the national pool of GST revenue has been weaker than assumed in the 2008-09 Budget.
3. The method of rating the accuracy of Gross State Product and employment growth forecasts has been revised from previous budget papers. These indicators now compare the average errors in the forecasts over a five year period with a one year lag, so the estimated actual for 2008-09 shows average forecasting accuracy for the five years from 2002-03 to 2007-08.
4. The number of agencies by Quarter includes those rolling into Human Resources payroll services only.
5. The Building Management and Works business unit was created on 1 February 2009. As such, Key Effectiveness Indicators do not exist for previous financial years.

Services and Key Efficiency Indicators

1: Financial Management and Reporting

This service includes the provision of advice on the Government's fiscal strategy, advice on the legislative framework underpinning financial management and accountability in the Western Australian public sector, the preparation and publication of regular reports on the State's finances, and maintenance of the Public Ledger.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service ^(a)	7,123	6,843	6,628	7,055	
Less Income.....	364	280	119	109	
Net Cost of Service ^(a)	6,759	6,563	6,509	6,946	
Employees (Full Time Equivalents)	60	59	51	59	
Efficiency Indicators					
Cost of Financial Management Reporting per \$ million Dollars General					
Government Sector Expenses	\$427	\$381	\$348	\$344	
Percentage of Financial Reports Released as Per Agreed Timeframes	64%	100%	64%	100%	

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

2: State Fleet Service

This service entails the financing and leasing of some 11,700 passenger and light commercial vehicles to State government agencies and the management of government vehicle fleet policy.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service ^{(a) (b)}	76,387	79,838	85,605	94,894	
Less Income.....	85,824	84,856	94,698	103,931	
Net Cost of Service ^{(a) (b)}	(9,437)	(5,018)	(9,093)	(9,037)	
Employees (Full Time Equivalents)	7	13	7	10	
Efficiency Indicators					
Average Cost per Vehicle of Financing and Managing the State Fleet Service.....					
	\$145	\$120	\$164	\$126	

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

(b) The State Fleet was transferred from the State Supply Commission with effect from 1 July 2008. The financial data for 2007-08 Actual has been included for comparability purposes.

3: Economic and Revenue Forecasts and Policy Development

This service involves the analysis and advice on economic and revenue policy issues, including in relation to the State's major revenue sources, utilities regulation and reform, competition policy and economic, social and environmental developments generally, estimates and monitoring of Western Australia's economic performance and major revenue streams.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service ^(a)	7,534	8,488	10,205	10,439	
Less Income.....	218	341	848	161	
Net Cost of Service ^(a)	7,316	8,147	9,357	10,278	
Employees (Full Time Equivalents)	61	65	81	91	
Efficiency Indicators					
Percentage of Ministerials, Briefings or Reports Provided on Economic Issues Within Agreed Timelines.....	91%	80%	92%	90%	
Percentage of Regulatory Impact Statements Assessed within Agreed Timeframes	n/a	n/a	n/a	90%	

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

4: Revenue Assessment and Collection

This service involves the assessment and collection of a range of statutory based revenues including those that the Commissioner of State Revenue has direct responsibility for, including stamp duties, land tax and pay-roll tax, and those that are collected on behalf of other agencies (e.g. Perth Parking Licence fees on behalf of the Department for Planning and Infrastructure) or other jurisdictions (e.g. collection of a range of taxes for the Commonwealth in the Indian Ocean Territories).

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service ^(a)	39,907	39,489	40,004	40,593	
Less Income.....	2,630	3,692	3,857	3,775	
Net Cost of Service ^(a)	37,277	35,797	36,147	36,818	
Employees (Full Time Equivalents)	278	283	240	237	
Efficiency Indicators					
Average Cost per Land Tax Item Assessed.....	\$11.10	\$11.18	\$11.71	\$11.99	
Average Cost per Stamp Duty Insurance Client	\$1,846.89	\$1,661.35	\$1,192.68	\$1,203.14	
Average Cost per Payroll Tax Client.....	\$634.22	\$626.12	\$618.46	\$644.58	1
Average Cost per Duties Instrument Assessed Manually	\$46.25	\$61.32	\$80.44	\$81.85	
Average Cost per Duties Instrument Assessed Electronically	\$3.74	\$81.75	\$29.54	\$77.48	2

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

Explanation of Significant Movements

(Notes)

1. The anticipated increase in 2009-10 reflects increased costs resulting from Standard Business Reporting initiatives.
2. The anticipated increase in 2009-10 reflects the significant reduction in the number of instruments processed through Revenue Online due to the abolition of duty on mortgages and deeds.

5: Grants and Subsidies Administration

This service involves the assessment and payment of a range of grants and subsidies under both statutory and administrative schemes. The major payments relate to the First Home Owner Grant (FHOG) scheme and concessions on water and local government rates and the emergency services levy for pensioners and seniors.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000	\$'000	\$'000	\$'000	
Less Income	2,791	2,835	4,003	3,857	
Net Cost of Service ^(a)	187	116	337	399	
Net Cost of Service ^(a)	2,604	2,719	3,666	3,458	
Employees (Full Time Equivalents)	26	28	31	31	
Efficiency Indicators					
Average Cost per Application/Claim Processed	\$6.85	\$7.06	\$9.89	\$9.45	

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

6: Evaluation and Planning of Government Service Delivery and Infrastructure Provision

This service aims at investigating agencies' operations in respect of efficiency and effectiveness and to advise Government on the allocation of taxpayers' resources to achieve Government desired outcomes. It includes the analysis, evaluation and planning of government services to ensure value for money outcomes in the key areas of Health, Education, Law and Order and infrastructure delivery.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000	\$'000	\$'000	\$'000	
Less Income	9,873	10,305	13,272	14,050	
Net Cost of Service ^(a)	-	421	181	217	
Net Cost of Service ^(a)	9,873	9,884	13,091	13,833	
Employees (Full Time Equivalents)	88	91	112	109	
Efficiency Indicators ^(b)					
Cost of Expenditure Budget Management per \$ million General Government Sector Expenses	\$590	\$574	\$696	\$685	
Percentage of Ministerials, Briefings or Reports Provided on Service Delivery and Infrastructure within Agreed Timeframes	97%	90%	94%	90%	
Cost of Infrastructure Management per \$ million of Forward Estimates Capital Program	n/a	n/a	\$129	\$180	

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

(b) This is a new service commencing from 1 July 2009. The 2007-08 Actual, 2008-09 Budget and 2008-09 Estimated Actual have been back cast for comparability purposes.

7: Facilitate the Development and Management of Agency Specific Contracts

Helps Government agencies effectively manage procurement risks and establish contracts that deliver value for money and efficiently meet their operational needs.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service ^{(a) (b)}	18,080	18,922	20,719	21,075	
Less Income	1,982	2,162	1,442	1,158	
Net Cost of Service ^{(a) (b)}	16,098	16,760	19,277	19,917	
Employees (Full Time Equivalents)	189	183	204	206	
Efficiency Indicators					
Client Satisfaction with the Timeliness of Agency Specific Contract					
Development	86%	85%	85%	85%	
Cost of Facilitating the Development and Management of Agency Specific					
Contracts as a Percentage of the Contract Award Value	1.9%	1.7%	1.1%	1.1%	1

- (a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.
- (b) The 2007-08 Actual, 2008-09 Budget and 2008-09 Estimated Actual financial data have been back cast for comparability purposes to reflect Government endorsement to merge the function of the State Supply Commission with the DTF.

Explanation of Significant Movements

(Notes)

1. There has been an increase in the value of contracts awarded in 2008-09, leading to a reduction in the ratio.

8: Development and Management of Whole-of-Government Common Use Contract Arrangements

Leads a whole-of-government approach to procurement that efficiently meets the business needs of Government agencies, manages risk and delivers value for money.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service ^(a)	8,729	9,104	7,417	6,681	
Less Income	-	372	128	110	
Net Cost of Service ^(a)	8,729	8,732	7,289	6,571	
Employees (Full Time Equivalents)	86	78	60	59	
Efficiency Indicators					
Percentage of Retendered/Redesigned Common Use Contract Arrangements					
Developed and Awarded Prior to the Expiry of the Previous Arrangement	62%	90%	90%	90%	1
Cost of Developing and Managing Whole-of-Government Common Use					
Contract Arrangements as a Percentage of the Total Annual Value of					
Purchases through the Arrangements	1.1%	0.9%	0.9%	0.8%	

- (a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

Explanation of Significant Movements

(Notes)

- The 2007-08 actual was a result of only two retendered Common Use Contract Arrangements awarded during this period. One of these involved an invitation to negotiate strategy with four individual suppliers of which one had their contract awarded prior to the expiry of the previous contract. For this reason the indicator has been calculated as 100 per cent completed for the first contract and 25 per cent completed for the second contract.

9: Development and Management of Whole-of-Government Procurement Systems and Standards

Delivers, maintains and deploys whole-of-government procurement systems, provides reporting and information services, manages standardised contract documentation and procurement education services that efficiently meet the business needs of Government agencies, manage risk and deliver value for money.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service ^{(a) (b)}	6,671	6,871	7,058	7,200	
Less Income.....	3	207	119	123	
Net Cost of Service ^{(a) (b)}	6,668	6,664	6,939	7,077	
Employees (Full Time Equivalents)	56	62	63	61	
Efficiency Indicators					
Cost of Deploying and Managing Procurement Systems and Standards as a Percentage of Agency Specific Contract Award Values and the Annual Throughput of CUAs	0.4%	0.3%	0.3%	0.3%	

- May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.
- The 2007-08 Actual, 2008-09 Budget and 2008-09 Estimated Actual financial data have been back cast for comparability purposes to reflect Government endorsement to merge the function of the State Supply Commission with the DTF.

10: Project Management, Coordination and Implementation of the Whole-of-Government Shared Corporate Services Reform

The DTF Shared Services is responsible for building the Oracle Business System, which will support the provision of shared corporate services to general Government agencies. The initial release of the integrated Finance and HR/Payroll System has been completed and work is continuing on building further finance functionality and payroll awards to enable further agencies to roll-in to shared services.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service ^(a)	6,269	15,304	16,414	13,402	
Less Income.....	678	625	131	120	
Net Cost of Service ^(a)	5,591	14,679	16,283	13,282	
Employees (Full Time Equivalents)	21	88	24	23	
Efficiency Indicators					
Progress with the Reform of the Western Australian Public Sector For Shared Corporate Services Within Budget: - Delivery of Project within Budgeted Target	\$18,676	\$56,699	\$32,163	\$35,581	1

- May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

Explanation of Significant Movements

(Notes)

- The efficiency indicator includes capital costs associated with development and implementation of the Shared Services projects. The variance between the 2008-09 Budget and the 2008-09 Estimated Actual reflects the reflowing of \$23 million in capital allocations to the outyears as a result of slower than expected expenditure.

11: Provision of Financial, Human Resources Services and Online Services

The DTF Shared Services Centre is responsible for providing shared services to general government agencies across the sector in finance, procurement, human resource, payroll services and on-line services.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service ^(a)	45,460	57,822	54,209	62,634	
Less Income.....	9,851	7,903	9,686	13,582	
Net Cost of Service ^(a)	35,609	49,919	44,523	49,052	
Employees (Full Time Equivalents)	261	246	297	337	
Efficiency Indicators					
Cost of Financial Services per Client Agency (\$ million)	\$1.25	\$1.32	\$1.12	\$1.05	
Cost of Human Resources Services per Client Agency (\$ million).....	\$1.15	\$1.17	\$1.02	\$0.82	
Cost of Online Services per Client Agency.....	\$39,259	\$40,610	\$42,772	\$40,065	

- (a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

12: Facilitate the Centre for Excellence and Innovation in Infrastructure Delivery (CEIID)

Provides strategic leadership and facilitation to CEIID to support it in its development of improved approaches to the delivery of infrastructure across Government. This includes the Gateway Review process.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service ^(a)	1,865	4,146	2,497	1,681	
Less Income.....	-	168	67	28	
Net Cost of Service ^(a)	1,865	3,978	2,430	1,653	
Employees (Full Time Equivalents)	13	26	21	12	
Efficiency Indicators					
Client Satisfaction with the Timeliness of the Department's Facilitation of CEIID Initiatives	78%	85%	85%	85%	

- (a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

13: Facilitate the Planning and Delivery of New Government Buildings

Leads the planning, project management and procurement of new non-residential buildings.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service ^{(a) (b)}	579,472	687,332	708,192	814,397	
Less Income	580,725	673,150	694,208	794,445	
Net Cost of Service ^{(a) (b)}	(1,253)	14,182	13,984	19,952	
Employees (Full Time Equivalents)	108	137	136	153	
Efficiency Indicators					
Cost as a Percentage of the Total Annual Value of the Planning and Delivery of Capital Works Projects	4.4%	5.1%	4.8%	4.5%	

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

(b) The functions of the Department of Housing and Works were transferred to the DTF with effect from 1 February 2009. The 2007-08 Actual, 2008-09 Budget and 2008-09 Estimated Actual financial data have been back cast for comparability purposes.

14: Facilitate the Planning and Delivery of Government Building Maintenance

Leads the planning, project management and procurement of maintenance for non-residential buildings.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service ^{(a) (b)}	164,720	164,880	182,984	188,927	
Less Income	161,679	166,001	183,891	190,915	
Net Cost of Service ^{(a) (b)}	3,041	(1,121)	(907)	(1,988)	
Employees (Full Time Equivalents)	113	131	136	144	
Efficiency Indicators					
Cost as a Percentage of the Annual Value of Maintenance Services Delivered	10.4%	10.8%	10.3%	9.9%	

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

(b) The functions of the Department of Housing and Works were transferred to the DTF with effect from 1 February 2009. The 2007-08 Actual, 2008-09 Budget and 2008-09 Estimated Actual financial data have been back cast for comparability purposes.

15: Facilitate the Planning and Delivery of Government Office Accommodation

Leads the planning, project management and procurement of government office accommodation.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service ^{(a) (b)}	150,772	155,808	184,161	189,718	
Less Income	137,605	138,735	163,635	169,565	
Net Cost of Service ^{(a) (b)}	13,167	17,073	20,526	20,153	
Employees (Full Time Equivalents)	56	57	65	68	
Efficiency Indicators					
Cost as a Percentage of the Value of Gross Rentals of Buildings and Office Accommodation Managed	8.1%	9.7%	10.0%	9.6%	

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

(b) The functions of the Department of Housing and Works were transferred to the DTF with effect from 1 February 2009. The 2007-08 Actual, 2008-09 Budget and 2008-09 Estimated Actual financial data have been back cast for comparability purposes.

ASSET INVESTMENT PROGRAM

The DTF's planned asset investment program for 2009-10 is \$224.2 million, comprising \$44.1 million for works in progress and \$180.1 million for new works. Major items under construction include:

- Shared Services Establishment - \$35.6 million;
- Revenue Collection Information System Replacement - \$5.8 million; and
- Strategic Information Management System - \$1.7 million.

Capital expenditure on Vehicle Acquisitions (\$178.6 million) by State Fleet makes up most of the new works scheduled in 2009-10.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	Estimated Expenditure 2008-09 \$'000	Estimated Expenditure 2009-10 \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
WORKS IN PROGRESS							
Computing and Office Equipment Replacement							
Online Technologies	3,644	1,407	689	200	745	83	264
Shared Services Establishment	201,154	116,337	32,163	35,581	33,127	11,008	5,101
Software Development							
Revenue Collection Information System Replacement	20,677	2,698	2,500	5,828	6,910	5,241	-
Strategic Information Management System	5,591	1,555	1,171	1,728	2,308	-	-
Works Centre of Expertise	4,000	600	600	800	1,000	1,000	600
COMPLETED WORKS							
Computing and Office Equipment Replacement							
2008-09 Program	445	445	445	-	-	-	-
2008-09 Program	25	25	25	-	-	-	-
Information Technology 2008-09 PC Replacement Program	400	400	400	-	-	-	-
Computer Hardware and Software 2008-09 Program	35	35	35	-	-	-	-
Dumas House, West Perth and 151 Royal Street							
Refurbishment	10,200	10,200	3,514	-	-	-	-
Office Equipment - 2008-09 Program	21	21	21	-	-	-	-
Procurement Systems replacement							
2007-08 Program	450	450	181	-	-	-	-
2008-09 Program	450	450	450	-	-	-	-
Vehicle Acquisitions - 2008-09 Program	181,166	181,166	181,166	-	-	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	Estimated Expenditure 2008-09 \$'000	Estimated Expenditure 2009-10 \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
NEW WORKS							
Computing and Office Equipment Replacement							
2009-10 Program	595	-	-	595	-	-	-
2010-11 Program	625	-	-	-	625	-	-
2010-11 Program	16	-	-	-	16	-	-
2011-12 Program	31	-	-	-	-	31	-
2011-12 Program	19	-	-	-	-	19	-
2011-12 Program	650	-	-	-	-	650	-
2012-13 Program	22	-	-	-	-	-	22
2012-13 Program	650	-	-	-	-	-	650
Information Technology 2009-10 Replacement Program	400	-	-	400	-	-	-
Information Technology 2010-11 Replacement Program	400	-	-	-	400	-	-
Procurement Systems Replacement							
2009-10 Program	450	-	-	450	-	-	-
2010-11 Program	450	-	-	-	450	-	-
2011-12 Program	450	-	-	-	-	450	-
2012-13 Program	450	-	-	-	-	-	450
Vehicle Acquisitions							
Vehicle Acquisitions – 2009-10	178,645	-	-	178,645	-	-	-
Vehicle Acquisitions – 2010-11	166,151	-	-	-	166,151	-	-
Vehicle Acquisitions – 2011-12	176,281	-	-	-	-	176,281	-
Vehicle Acquisitions – 2012-13	187,999	-	-	-	-	-	187,999
Total Cost of Asset Investment Program	1,142,542	315,789	223,360	224,227	211,732	194,763	195,086
FUNDED BY							
Capital Appropriation			38,470	39,190	37,545	12,091	2,739
Asset Sales			80,930	92,306	85,745	83,954	79,477
Drawdowns from the Holding Account			3,724	5,992	7,011	5,291	1,386
Internal Funds and Balances			100,236	86,739	81,431	93,427	111,484

The 2008-09 Estimated Expenditure has been adjusted to include the State Supply Commission and Building Management and Works capital projects apart from the Perth Arena project, which has been transferred to the Western Australia Sport Centre Trust effective from 1 July 2009.

FINANCIAL STATEMENTS**Income Statement***Expenses*

Total Cost of Services are expected to increase by \$133.2 million (9.9 per cent), when compared to the 2008-09 Estimated Actual. This increase is predominantly attributable to supplies and services (\$109.7 million) and reflects contract payments for building works, maintenance and accommodation costs undertaken on behalf of client agencies. Employment costs are also expected to increase by \$8.6 million reflecting wage outcomes associated with the 2008 Public Sector General Agreement and staff increases to fill vacancies. Depreciation expenses are projected to increase by \$12.3 million and predominately reflects the State Fleet vehicle acquisition and replacements program.

Income

Total income is estimated to be \$1.3 billion for 2009-10, an increase of \$125.3 million (10.9 per cent) compared to the 2008-09 Estimated Actual. The key increases include \$111.4 million in matching contributions from client agencies in respect of the building works, maintenance programs and accommodation costs facilitated on their behalf. Increased revenue \$13.7 million is also anticipated from client agencies in respect of services provided including motor vehicle fees and charges, office lease rentals and other recoups.

Balance Sheet

The DTF's total net asset position (total equity) is expected to decrease by \$191.3 million. This reduction mainly reflects the transfer of assets under construction associated with the Perth Arena project to the Western Australian Sports Centre Trust, with effect from 1 July 2009.

Cashflow Statement

The 2009-10 closing cash assets balance of \$65.2 million represents a decrease of \$6.7 million when compared to the 2008-09 Estimated Actual outcome. The decrease mainly reflects capital works carry overs applied towards capital works projects, including the transfer to the Sports Centre Trust of \$2.6 million in prior year cash carryovers associated with the Perth Arena project.

BALANCE SHEET ^{(a) (c)}
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	81,239	79,173	70,638	63,556	65,112	62,921	59,494
Restricted cash	-	1,135	261	548	846	1,182	1,182
Holding account receivables	6,372	9,459	5,318	6,995	5,241	1,364	3,732
Receivables	90,065	83,948	88,450	87,437	87,509	87,581	87,653
Other	28,193	31,283	27,151	26,129	25,129	24,129	23,129
Total current assets	205,869	204,998	191,818	184,665	183,837	177,177	175,190
NON-CURRENT ASSETS							
Holding account receivables	47,563	48,687	69,268	89,492	114,773	145,976	174,811
Property, plant and equipment	700,293	574,379	726,713	725,773	713,982	714,118	723,590
Intangibles	83,618	58,966	89,084	91,345	89,106	77,694	58,207
Restricted cash	1,063	189	1,104	1,145	1,186	1,227	1,268
Other	119,397	343,666	297,741	96,292	126,431	131,809	132,037
Total non-current assets	951,934	1,025,887	1,183,910	1,004,047	1,045,478	1,070,824	1,089,913
TOTAL ASSETS	1,157,803	1,230,885	1,375,728	1,188,712	1,229,315	1,248,001	1,265,103
CURRENT LIABILITIES							
Employee provisions	21,489	22,643	21,819	22,420	22,820	23,220	23,120
Payables	128,705	87,428	131,954	133,972	135,797	137,114	138,390
Other	109,455	103,247	111,221	114,046	115,404	118,171	123,689
Total current liabilities	259,649	213,318	264,994	270,438	274,021	278,505	285,199
NON-CURRENT LIABILITIES							
Employee provisions	6,525	6,033	7,395	9,680	11,780	12,380	12,380
Borrowings	133,114	158,488	160,635	161,716	157,457	158,575	165,438
Other	38,218	34,809	33,718	29,220	24,719	20,219	15,719
Total non-current liabilities	177,857	199,330	201,748	200,616	193,956	191,174	193,537
TOTAL LIABILITIES	437,506	412,648	466,742	471,054	467,977	469,679	478,736
EQUITY							
Contributed equity	284,116	509,077	468,530	270,480	306,915	319,006	321,745
Accumulated surplus/(deficit)	183,553	179,374	187,828	194,550	201,795	206,688	211,994
Reserves	252,628	129,786	252,628	252,628	252,628	252,628	252,628
Total equity	720,297	818,237	908,986	717,658	761,338	778,322	786,367
TOTAL LIABILITIES AND EQUITY	1,157,803	1,230,885	1,375,728	1,188,712	1,229,315	1,248,001	1,265,103

- (a) Full audited financial statements are published in the agency's Annual Report.
- (b) The financial statement presentation is in summary form, which is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.
- (c) Figures have been adjusted due to the transfer of the works functions, on 1 February 2009, from the Department of Housing and Works into the DTF. These may not be directly comparable to previously published information. Comparability adjustments have also been made to include the State Supply Commission (2007-08 Actual, 2008-09 Budget and 2008-09 Estimated Actual) and State Fleet (2007-08 Actual).

CASHFLOW STATEMENT ^{(a) (c)}
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	134,920	155,732	155,914	162,282	158,187	189,070	130,764
Capital appropriation ^(d)	97,571	202,318	185,470	39,190	37,545	12,091	2,739
Holding account drawdowns	3,850	6,373	3,724	5,992	7,011	5,291	1,386
Net cash provided by State Government.....	236,341	364,423	345,108	207,464	202,743	206,452	134,889
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(107,159)	(108,401)	(115,519)	(128,391)	(134,673)	(147,000)	(152,018)
Grants and subsidies	(319)	(500)	(500)	(500)	(500)	(500)	(500)
Supplies and services	(905,296)	(1,014,291)	(1,074,368)	(1,183,804)	(1,194,695)	(1,239,161)	(1,206,832)
Accommodation.....	(11,871)	(9,662)	(18,551)	(20,261)	(21,172)	(21,662)	(22,243)
Other payments	(152,326)	(149,903)	(152,082)	(163,723)	(166,461)	(168,581)	(173,649)
Receipts							
Grants and subsidies	28	-	578	778	-	-	-
Sale of goods and services	880,213	1,072,850	1,051,321	1,169,100	1,193,212	1,220,450	1,252,649
GST receipts.....	125,370	115,707	125,089	136,511	137,466	138,466	140,536
Other receipts	94,000	6,816	102,085	108,636	117,622	118,507	127,318
Net cash from operating activities.....	(77,360)	(87,384)	(81,947)	(81,654)	(69,201)	(99,481)	(34,739)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets ^(d)	(234,606)	(357,555)	(370,360)	(224,227)	(211,732)	(194,763)	(195,086)
Other payments	(6,612)	(7,700)	(7,700)	-	-	(1,575)	-
Proceeds from sale of non-current assets	66,258	85,059	80,930	92,306	85,745	83,954	79,477
Net cash from investing activities.....	(174,960)	(280,196)	(297,130)	(131,921)	(125,987)	(112,384)	(115,609)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(30,856)	(3,728)	(3,082)	(1,833)	(8,231)	(5,509)	-
Proceeds from borrowings	27,301	-	27,115	3,983	1,834	8,231	11,139
Other proceeds	152	52	59	318	737	877	934
Net cash from financing activities.....	(3,403)	(3,676)	24,092	2,468	(5,660)	3,599	12,073
NET INCREASE/(DECREASE) IN CASH HELD	(19,382)	(6,833)	(9,877)	(3,643)	1,895	(1,814)	(3,386)
Cash assets at the beginning of the reporting period	105,609	78,656	82,302	72,003	65,249	67,144	65,330
Net cash transferred to/from other agencies.....	(3,925)	8,674	(422)	(3,111)	-	-	-
Cash assets at the end of the reporting period.....	82,302	80,497	72,003	65,249	67,144	65,330	61,944

(a) Full audited financial statements are published in the agency's Annual Report.

(b) The financial statement presentation is in summary form, which is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

(c) Figures have been adjusted due to the transfer of the works functions, on 1 February 2009, from the Department of Housing and Works into the DTF. These may not be directly comparable to previously published information. Comparability adjustments have also been made to include the State Supply Commission (2007-08 Actual, 2008-09 Budget and 2008-09 Estimated Actual) and State Fleet (2007-08 Actual).

(d) These figures include funding for the Perth Arena Project in 2008-09, which will be transferred to the Western Australian Sports Centre Trust from 1 July 2009.

**RECONCILIATION RELATING TO MAJOR FUNCTIONAL TRANSFERS
AND ACCOUNTING POLICY CHANGES**

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement.....	1,125,653	1,268,707	1,343,368	1,476,603	1,500,712	1,563,021	1,545,331
Adjustment for Notional Superannuation.....	-	(720)	-	-	-	-	-
Adjusted Total Cost of Services	1,125,653	1,267,987	1,343,368	1,476,603	1,500,712	1,563,021	1,545,331

DETAILS OF ADMINISTERED TRANSACTIONS

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
INCOME							
Sales of Goods and Services.....	21,102	7,985	3,044	7,873	8,078	8,078	8,078
Taxation							
Betting tax.....	30,351	34,581	34,581	37,284	40,143	43,029	43,029
Land tax	419,581	561,500	561,436	545,863	468,585	466,502	499,400
Metropolitan Region Improvement tax	76,036	85,800	83,800	80,800	69,400	69,100	74,000
Payroll tax	1,935,930	2,126,500	2,232,416	2,213,050	2,347,561	2,583,362	2,865,116
Transfer duty.....	2,264,723	1,947,000	1,039,744	1,185,164	1,393,778	1,571,486	1,711,800
Landholder duty.....	-	143,900	25,000	36,700	43,100	48,600	53,000
Total duty on transfers.....	2,264,723	2,090,900	1,064,744	1,221,864	1,436,878	1,620,086	1,764,800
Insurance duty.....	342,474	388,000	360,200	388,400	416,900	447,900	480,600
Vehicle License duty	392,799	376,300	308,800	323,400	358,800	396,600	438,500
Stamp duty - mortgages.....	108,344	9,700	5,000	-	-	-	-
Stamp duty - rental business.....	100	-	-	-	-	-	-
Stamp duty - other	6	1,400	496	496	496	496	500
Commonwealth mirror taxes	23,838	23,970	23,970	25,512	27,154	28,901	30,762
Total Taxation.....	5,594,182	5,698,651	4,675,443	4,836,669	5,165,917	5,655,976	6,196,707
Commonwealth Grants							
Compensation for Crude Oil Excise Condensate	71,100	-	63,900	60,400	57,100	57,100	57,100
Competition reform	3,967	-	-	-	-	-	-
First Home Owners' Boost.....	-	-	101,000	31,000	-	-	-
GST grants	3,984,030	3,956,800	3,573,100	3,331,500	3,060,700	2,868,200	2,819,000
Local Government (financial assistance grants) .	122,016	128,290	130,430	136,700	143,400	150,400	156,600
Local Government (road funding).....	82,985	86,489	87,956	91,500	95,300	99,200	103,300
Non-Government schools.....	633,607	605,847	621,247	653,500	696,100	748,700	805,200
North-West Shelf grants	-	-	-	929,900	1,072,100	1,114,000	1,135,100
Other ^(a)	116,874	37,800	1,158,806	4,016,063	3,428,551	3,155,325	3,311,819
Total Commonwealth Grants.....	5,014,579	4,815,226	5,736,439	9,250,563	8,553,251	8,192,925	8,388,119
GOVERNMENT ENTERPRISES							
Dividends							
Albany Port Authority	2,266	397	963	885	1,529	1,793	1,886
Broome Port Authority	-	692	314	255	243	226	204
Bunbury Port Authority	-	2,724	2,724	3,345	3,236	3,236	3,236
Dampier Port Authority	969	1,630	2,297	655	3,248	4,580	4,668
Electricity Generation Corporation (Verve Energy).....	-	-	-	8,713	36,739	58,775	67,607
Electricity Networks Corporation (Western Power)	43,974	26,330	33,492	29,972	5,217	28,060	106,828
Electricity Retail Corporation (Synergy)	22,612	16,922	19,785	24,442	38,766	48,301	42,398
Esperance Port Authority	237	3,279	3,279	3,094	2,827	4,737	4,478
Forest Products Commission.....	2,783	883	650	1,206	1,267	2,005	2,005
Fremantle Port Authority.....	6,030	5,330	8,940	4,862	5,060	3,242	3,250

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Geraldton Port Authority	6,080	2,799	1,644	1,518	13,541	13,456	14,585
Gold Corporation	4,235	2,886	823	14,474	6,361	6,362	6,362
Port Hedland Port Authority	1,254	5,172	1,869	1,198	2,235	13,265	12,591
Regional Power Corporation (Horizon Power)	-	-	-	-	-	-	6,634
Subiaco Redevelopment Authority	-	-	-	-	14,000	-	-
Water Corporation of Western Australia	390,912	386,579	408,812	410,478	412,954	392,662	423,839
Western Australian Land Authority	23,291	17,751	17,751	28,846	28,846	28,846	28,846
Western Australian Treasury Corporation	4,968	2,975	2,253	2,319	2,033	2,575	3,093
Total Dividends	509,611	476,349	505,596	536,262	578,102	612,121	732,510
Income Tax Equivalent Regime							
Albany Port Authority	1,281	894	737	1,653	1,938	2,038	2,202
Broome Port Authority	-137	469	298	219	208	193	175
Bunbury Port Authority	1,705	2,683	4,512	3,295	2,774	2,774	2,774
Bunbury Water Board	1,082	193	628	759	852	946	1,047
Busselton Water Board	1,304	819	882	986	1,006	1,006	1,006
Chemistry Centre (WA)	-16	-	-	-	-	-	-
Dampier Port Authority	1,970	1,397	376	2,598	3,740	4,001	4,122
Electricity Networks Corporation (Western Power)	4,047	21,276	34,550	4,090	3,534	39,123	138,894
Electricity Retail Corporation (Synergy)	15,325	19,801	36,707	33,228	41,401	46,102	56,511
Esperance Port Authority	458	2,810	2,810	2,652	2,423	4,060	3,838
Forest Products Commission	7,834	-	-	-	-	-	-
Fremantle Port Authority	7,500	4,732	4,733	5,163	3,248	3,242	3,398
Geraldton Port Authority	1,696	5,787	1,587	2,121	9,190	9,190	9,190
Gold Corporation	2,361	1,687	11,049	4,544	4,544	4,544	4,544
Insurance Commission of Western Australia	51,487	19,790	-	9,083	9,958	12,990	16,433
Land Information Authority	50	2,042	36	2,183	4,431	5,128	7,333
Port Hedland Port Authority	1,738	2,976	22,500	673	11,288	10,793	8,753
Regional Power Corporation (Horizon Power)	259	-	-	-	-	-	-
Water Corporation of Western Australia	221,935	203,688	210,746	215,122	204,513	208,636	225,500
Western Australian Land Authority	39,417	29,750	12,802	19,981	43,169	32,202	42,542
Western Australian Treasury Corporation	2,008	2,274	1,970	1,725	2,189	2,633	2,806
Total Income Tax Equivalent Regime	363,304	323,068	346,923	310,075	350,406	389,601	531,068
Local Government Rates Equivalent							
Albany Port Authority	166	97	97	100	104	108	120
Broome Port Authority	9	5	35	15	268	276	284
Bunbury Port Authority	167	191	191	210	220	220	220
Dampier Port Authority	97	17	17	100	100	100	100
East Perth Redevelopment Authority	3	-	-	-	-	-	-
Electricity Generation Corporation (Verve Energy)	110	165	110	110	110	110	110
Electricity Networks Corporation (Western Power)	823	4,663	848	869	891	915	941
Esperance Port Authority	302	90	90	95	100	275	320
Fremantle Port Authority	191	248	248	366	384	404	424
Geraldton Port Authority	173	160	160	160	160	160	160
Gold Corporation	110	110	110	600	600	600	600
Perth Market Authority	54	170	115	125	134	145	155
Port Hedland Port Authority	277	242	270	280	312	327	344
Water Corporation of Western of Australia	3,670	3,312	3,798	3,931	4,049	4,151	4,254
Western Australian Land Authority	1,555	3,574	2,843	4,124	4,315	4,068	3,987
Total Local Government Rates Equivalent	7,707	13,044	8,932	11,085	11,747	11,859	12,019
Total Government Enterprises	880,622	812,461	861,451	857,422	940,255	1,013,581	1,275,597
Other Revenue							
Consolidated Account revenue received from agencies	4,182,692	5,204,899	5,544,435	3,574,927	3,706,124	3,858,368	4,001,051
Interest	246,445	196,887	232,409	92,468	96,494	159,022	170,532
Pension recoups	14,752	12,248	11,904	12,875	13,175	13,461	13,754
Loan guarantee fees	16,036	20,422	22,270	27,044	30,305	32,417	33,673
Gold State superannuation reimbursement	123,495	120,948	120,948	119,457	117,984	116,529	115,092

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Other revenue.....	49,022	46,462	62,017	84,024	86,705	89,426	89,181
Total Other Revenue	4,632,442	5,601,866	5,993,983	3,910,795	4,050,787	4,269,223	4,423,283
TOTAL INCOME	16,142,927	16,936,189	17,270,360	18,863,322	18,718,288	19,139,783	20,291,784
EXPENSES							
Superannuation ^(b)	834,136	429,146	2,491,217	203,162	281,556	831,618	322,863
Interest	83,026	81,627	71,273	53,964	197,789	371,628	534,164
Appropriations for:							
Outputs	10,870,149	11,973,497	12,314,986	12,946,045	13,111,531	13,618,212	14,047,070
Salaries and allowances	64,725	67,678	70,929	72,967	75,540	78,227	80,464
Community Services Obligations							
Electricity Retail Corporation (Synergy).....	27,233	31,400	31,400	290,156	169,169	71,639	88,225
Forest Products Commission	1,000	3,370	2,189	3,370	3,370	3,370	3,370
Regional Power Corporation (Horizon Power) ...	21,138	37,108	34,765	57,439	46,374	38,917	40,884
Water Corporation of Western Australia.....	399,363	445,784	445,896	500,983	502,560	509,269	515,183
Western Australian Land Authority	34,097	25,846	22,220	44,933	38,994	34,454	34,514
Total Community Service Obligations	482,831	543,508	536,470	896,881	760,467	657,649	682,176
Other Appropriations.....	932,283	993,873	1,021,171	1,109,268	1,064,051	1,160,269	1,238,170
Total Appropriations.....	12,349,988	13,578,556	13,943,556	15,025,161	15,011,589	15,514,357	16,047,880
Grants, Subsidies and Transfers							
Acts of Grace Payments.....	-	2	-	2	2	2	2
Aerial Shark Surveillance Program	156	185	287	194	204	214	225
ANZAC Day Trust.....	300	300	300	300	300	300	300
Armadale Redevelopment Authority.....	1,450	1,720	1,720	1,790	1,810	1,830	-
Broome Port Authority	420	405	389	372	372	360	342
Commonwealth grants on-passed to agencies....	40	690	1,012,797	1,518,452	1,574,130	1,773,158	1,855,565
Consumer Utilities Program (WACOSS)	340	170	170	-	-	-	-
Department for Child Protection	4,288	15,300	15,300	14,200	28,300	-	-
Department for Communities	422	401	401	-	-	-	-
Department of Corrective Services	-	-	-	-	5,600	27,800	37,800
Department of Indigenous Affairs.....	-	4,928	-	-	-	-	-
Electricity Generation Corporation (Verve Energy) - Part Reimbursement of Land Sales..	158	1	1	-	-	-	-
First Home Owners' Scheme.....	109,779	111,000	241,700	122,010	104,660	113,760	113,760
Gold Corporation Act 1987.....	19	30	30	30	30	30	30
GST administration.....	60,414	65,300	65,400	65,000	66,200	67,700	69,100
HIH Insurance - Assistance to Local Government.....	43	-	-	-	-	-	-
HIH Insurance Rescue Package	16	220	220	-	-	-	-
Incidentals.....	-	38	-	38	38	38	38
Life Support Equipment Electricity Subsidy Scheme	423	560	560	569	578	587	597
Local Government Financial Assistance Grants.	122,016	128,290	130,430	136,700	143,400	150,400	156,600
Local Government Road Funding	82,985	86,489	87,956	91,500	95,300	99,200	103,300
Matrix Fleet Leasing - Tax Settlement	14,000	-	-	-	-	-	-
Non-government schools.....	633,607	605,847	621,247	653,500	696,100	748,700	805,200
Office of Health Review.....	1,613	1,640	1,677	1,672	1,710	1,765	1,765
On-road diesel subsidies	8,470	9,120	9,120	9,439	9,722	9,990	10,264
Payroll Tax Rebate Scheme.....	-	-	-	-	100,000	-	-
Pensioner Concessions - Emergency Services Levy	7,783	10,809	10,809	11,360	11,883	12,400	12,939
Pensioner Concessions - Local government and water rates	50,793	59,430	59,430	62,461	65,334	68,176	71,142
Provision for Unfunded Liabilities in the Government Insurance Fund	-	-	3,759	-	-	-	-
Public swimming pools - operating costs subsidy	304	300	300	300	300	300	300
Refund of past years revenue - all other.....	34,586	39,800	135,600	33,585	35,869	39,278	43,238
Refund of past years revenue collections - public corporations.....	2,016	5,000	20,178	5,000	5,000	5,000	5,000

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Rottnest Island Authority.....	2,200	2,200	2,200	2,200	2,200	2,200	2,200
Stamp duty concessions on farming properties...	11	100	100	-	-	-	-
State Property - Emergency Services Levy.....	11,951	12,000	12,000	12,000	14,000	14,000	14,000
State Supply Commission.....	-	-	-	50	-	-	-
Thermoregulatory Dysfunction Energy Subsidy Scheme	157	500	500	508	516	524	533
Tobacco Products Control Act 1990	18,635	19,110	19,147	19,596	20,087	20,649	21,221
Unclaimed Money Act 1990	857	750	750	750	750	750	750
Unclaimed Money (Superannuation and RSA Providers) Act 2003	282	50	50	40	20	-	-
Water Corporation of Western Australia - Part Reimbursement of Land Sales	700	800	-	-	-	-	-
Water Corporation of Western Australia - State Water Strategy Rebate Scheme.....	8,663	9,000	3,000	500	-	-	-
Western Australian Building Management Authority - Interest.....	4,000	312	312	-	-	-	-
Western Australian Treasury Corporation Management Fees	-	-	-	390	410	430	450
Wine Equalisation Tax Rebate	-	9,700	9,700	3,600	2,700	2,700	2,700
Total Grants, Subsidies and Transfers.....	1,183,897	1,202,497	2,467,540	2,767,108	2,987,525	3,162,241	3,329,361
Other Expenses							
Services and contracts.....	13,474	-	-	-	-	-	-
Other.....	44,683	14,305	14,160	33,354	33,957	32,629	34,307
Total Other Expenses	58,157	14,305	14,160	33,354	33,957	32,629	34,307
TOTAL	14,509,204	15,306,131	18,987,746	18,083,749	18,512,416	19,912,473	20,268,575

- (a) From January 2009, reflecting a national move to streamline the administration of grants, most Commonwealth funding is now received centrally by the DTF then on-passed to relevant agencies. Previously, these grants were disclosed in the financial statements of the individual agencies that received the Commonwealth funding.
- (b) Includes annual revaluations that are not reflected in cash appropriations.

NET APPROPRIATION DETERMINATION

A determination by the Treasurer, pursuant to Section 23 of the *Financial Management Act 2006*, provides for the retention of the following cash receipts by the Department:

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000
Commonwealth Grants	28	-	578	778
Contract Services BMW	871,839	975,222	1,039,183	1,152,143
Fremantle Prison BMW	2,406	3,635	3,535	3,765
GST Input Credits.....	16,359	6,282	6,082	5,080
GST Receipts on Sales.....	109,011	109,425	119,007	131,431
Land Tax Liability Enquiry Fee	2,331	2,500	2,500	2,422
Other Receipts.....	453	3,376	3,084	2,322
Procurement Services	1,870	2,827	1,117	805
Revenues from Executive Vehicle Scheme.....	117	129	106	117
Shared Services Rendered	8,311	7,121	9,192	13,019
State Fleet Revenues.....	86,886	84,856	94,689	103,143
TOTAL.....	1,099,611	1,195,373	1,279,073	1,415,025

The moneys received and retained are to be applied to the Department's services as specified in the Budget Statements.

ECONOMIC REGULATION AUTHORITY

PART 8 - TREASURER; MINISTER FOR COMMERCE; SCIENCE AND INNOVATION; HOUSING AND WORKS

DIVISION 38

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 68 Net amount appropriated to deliver services	6,977	6,568	6,529	6,446	6,562	6,751	6,898
Total appropriations provided to deliver services	6,977	6,568	6,529	6,446	6,562	6,751	6,898
TOTAL APPROPRIATIONS	6,977	6,568	6,529	6,446	6,562	6,751	6,898
EXPENSES							
Total Cost of Services.....	7,633	9,301	9,290	9,603	9,588	9,777	11,384
Net Cost of Services ^(a)	5,327	6,552	6,541	6,427	6,410	6,599	8,206
CASH ASSETS ^(b)	2,995	1,988	2,933	2,955	3,126	3,300	2,002

(a) Represents total cost of services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.

(b) As at 30 June each financial year.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2008-09 Budget to Parliament on 8 May 2008 are outlined below.

	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Election Commitments					
Media and Marketing, Advertising and Consultants Savings	(6)	(12)	(12)	(12)	(12)
3% Efficiency Dividend					
Consultant Services Savings	(138)	(290)	(288)	(294)	(340)
<i>Total Savings</i>	<i>(138)</i>	<i>(290)</i>	<i>(288)</i>	<i>(294)</i>	<i>(340)</i>

RESOURCE AGREEMENT

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Minister, Accountable Authority and Treasurer under Part 3, Division 5 of the *Financial Management Act 2006*.

OUTCOMES, SERVICES AND KEY PERFORMANCE INFORMATION**Relationship to Government Goals**

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the agency's service and desired outcome, and the government goal it contributes to. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Goal	Desired Outcome	Service
Outcomes-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	The efficient, safe and equitable provision of utility services in Western Australia.	1. Submissions to the Economic Regulation Authority (ERA) Governing Body

Service Summary

Expense	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
1. Submissions to the ERA Governing Body	7,633	9,301	9,290	9,603	9,588	9,777	11,384
Total Cost of Services	7,633	9,301	9,290	9,603	9,588	9,777	11,384

Significant Issues Impacting the Agency

- The following amendments to legislation and expansions in the Authority's functions are expected to impact on the operations of the Authority in 2009-10:
 - the current review by the Department of Water of the *Water Services Licensing Act 1995*, impacting on the licensing of water service providers;
 - the implementation of a new National Gas Law in Western Australia, replacing the existing gas access code;
 - new funding regulations to increase the proportion of regulatory costs recovered by the Authority from industry;
 - changes to the *Electricity Industry Act 2004*, which would see the Authority undertake a broader monitoring role with respect to its third party access regulatory functions;
 - amendments to the *Economic Regulation Authority Act 2003*, to clarify matters relating to the independence of the Authority and provide greater flexibility, including in relation to the appointment of members of the Governing Body; and
 - functions of the Authority that have been extended, including those relating to third party access regulation of a new greenfields railway, The Pilbara Infrastructure railway, which came under the rail access regime on 1 July 2008.
- The Authority anticipates that it will maintain an ongoing, but arms-length, involvement in the implementation of significant recommendations from past inquiries including:
 - the inquiry into competition in the water industry, which recommended the establishment of an Independent Procurement Entity for bulk water;
 - the inquiry into pricing of recycled water, which recommended the development of guiding principles for the pricing of recycled water;
 - the inquiry into developers' contributions to the Water Corporation, which recommended that charges should reflect costs of new developments at each location; and
 - the inquiry into Harvey bulk water pricing, which recommended that a whole of government approach should be adopted in relation to expenditure per statistical life saved.

- The Government's requirement for the Authority's services has continued to increase since its establishment in 2004 and it is anticipated that there will be a continued increase in the demand for its advisory, inquiry and reporting services, as a result of the current economic climate in Western Australia, shifts in social trends and proposals for the reduction in carbon emissions.
- The expansion of the Authority's functions highlights the need to build regulatory, inquiry and reporting capacity to meet future demands. The Authority is developing attraction and retention strategies to ensure it is able to maintain capable staff with the capacity to manage the complex work of the agency.

Outcomes and Key Effectiveness Indicators ^(a)

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Outcome: The efficient, safe and equitable provision of utility services in Western Australia:					
Number of submissions made to the Authority's Governing Body.....	248	240	270	250	
Rating by the Authority's Governing Body as to the content, accuracy and presentation of these submissions. ^(b)	4.0	4.0	4.0	4.0	
Number (percentage) of submissions provided by the required deadline.....	92	85	85	85	
Rating by the Authority's Governing Body as to their perception of the timeliness of submissions. ^(b)	4.2	4.2	4.1	4.0	

(a) Further detail in support of the key effectiveness indicators is provided in the agency's Annual Report.

(b) Performance is rated as follows by the Governing Body: 1 = Very Poor. 2 = Poor. 3 = Satisfactory. 4 = Good. 5 = Excellent.

Services and Key Efficiency Indicators

1: Submissions to the ERA Governing Body

The Authority seeks to encourage economic development of the State of Western Australia by regulating vital infrastructure in a fair, independent and transparent manner. The Authority is further empowered to inquire and report on matters referred to it by the Government. These matters can relate to 'regulated' or 'non-regulated' industries in the areas of pricing, quality, business practices and compliance costs.

In pursuing these objectives the Governing Body of the Authority makes its regulatory decisions through submissions prepared by its secretariat. As the *Economic Regulation Authority Act 2003* limits the Authority's performance indicators to its management functions, submissions considered by the Authority are taken to be its output.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 7,633	\$'000 9,301	\$'000 9,290	\$'000 9,603	
Less Income.....	2,306	2,749	2,749	3,176	
Net Cost of Service ^(a)	5,327	6,552	6,541	6,427	
Employees (Full Time Equivalents)	45	48	45	48	
Efficiency Indicators					
Cost per submission made to the ERA Governing Body	30,782	38,754	34,407	38,412	

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

ASSET INVESTMENT PROGRAM

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
COMPLETED WORKS							
Computer Hardware and Software Replacement							
2007-08 Program	28	28	28	-	-	-	-
2008-09 Program	27	27	27	-	-	-	-
Office Equipment Replacement							
2008-09 Program	54	54	54	-	-	-	-
NEW WORKS							
Computer Hardware and Software Replacement							
2011-12 Program	71	-	-	-	-	71	-
Office Equipment Replacement							
2010-11 Program	53	-	-	-	53	-	-
2011-12 Program	19	-	-	-	-	19	-
Total Cost of Asset Investment Program	252	109	109	-	53	90	-
FUNDED BY							
Drawdowns from the Holding Account			26	-	53	90	-
Internal Funds and Balances			24	-	-	-	-
Other.....			59	-	-	-	-

FINANCIAL STATEMENTS**Income Statement***Income*

The increase in total income in 2009-10 of \$427,000 (15.5 per cent) compared to the 2008-09 Estimated Actual is primarily due to a cyclical review process occurring in 2009-10 under the *Gas Pipelines Access (Western Australia) Act 1998* whereby the costs of the reviews are recovered from the relevant industry stakeholder.

INCOME STATEMENT ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(c)	4,474	5,074	5,207	5,363	5,569	5,689	6,372
Supplies and services	2,218	3,128	2,990	3,073	2,786	2,842	3,180
Accommodation	411	513	513	528	544	548	1,073
Depreciation and amortisation	94	99	99	99	92	92	92
Other expenses	437	487	481	540	597	606	667
TOTAL COST OF SERVICES.....	7,634	9,301	9,290	9,603	9,588	9,777	11,384
Income							
Sale of goods and services	2,171	1,803	1,803	1,815	1,912	1,912	1,912
Regulatory fees and fines	-	856	856	1,271	1,199	1,199	1,199
Other revenue	135	90	90	90	67	67	67
Total Income.....	2,306	2,749	2,749	3,176	3,178	3,178	3,178
NET COST OF SERVICES.....	5,328	6,552	6,541	6,427	6,410	6,599	8,206
INCOME FROM STATE GOVERNMENT							
Service appropriations	6,977	6,568	6,529	6,446	6,562	6,751	6,898
Liabilities assumed by the Treasurer ^(d)	1	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT.....	6,978	6,568	6,529	6,446	6,562	6,751	6,898
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	1,650	16	(12)	19	152	152	(1,308)
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	1,650	16	(12)	19	152	152	(1,308)

(a) Full audited financial statements are published in the agency's Annual Report.

(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

(c) The Full Time Equivalents (FTEs) for 2007-08 Actual, 2008-09 Estimated Actual and 2009-10 Estimate are 45, 45 and 48 respectively.

(d) Following a change in accounting policy, effective from 31 December 2008, notional superannuation will no longer be recognised in the financial statements.

BALANCE SHEET ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	2,960	1,966	2,898	2,920	3,091	3,265	1,967
Holding account receivables	26	90	-	53	90	-	-
Receivables	1,242	239	1,241	1,240	1,239	1,238	1,238
Other	317	263	317	317	317	314	314
Total current assets	4,545	2,558	4,456	4,530	4,737	4,817	3,519
NON-CURRENT ASSETS							
Holding account receivables	178	144	277	323	325	417	509
Property, plant and equipment	403	396	391	292	207	193	108
Intangibles	6	10	6	6	6	6	6
Restricted cash	35	22	35	35	35	35	35
Other	-	54	22	22	68	80	73
Total non-current assets	622	626	731	678	641	731	731
TOTAL ASSETS	5,167	3,184	5,187	5,208	5,378	5,548	4,250
CURRENT LIABILITIES							
Employee provisions	834	660	834	834	850	866	867
Payables ^(a)	158	206	188	188	188	188	188
Other	235	311	237	239	241	243	245
Total current liabilities	1,227	1,177	1,259	1,261	1,279	1,297	1,300
NON-CURRENT LIABILITIES							
Employee provisions	226	192	226	226	226	226	233
Other	1	3	1	1	1	1	1
Total non-current liabilities	227	195	227	227	227	227	234
TOTAL LIABILITIES	1,454	1,372	1,486	1,488	1,506	1,524	1,534
EQUITY							
Contributed equity	773	773	773	773	773	773	773
Accumulated surplus/(deficit)	2,940	1,039	2,928	2,947	3,099	3,251	1,943
Total equity	3,713	1,812	3,701	3,720	3,872	4,024	2,716
TOTAL LIABILITIES AND EQUITY	5,167	3,184	5,187	5,208	5,378	5,548	4,250

(a) Full audited financial statements are published in the agency's Annual Report.

(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

CASHFLOW STATEMENT ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	6,881	6,469	6,430	6,347	6,470	6,659	6,806
Holding account drawdowns	59	69	26	-	53	90	-
Net cash provided by State Government.....	6,940	6,538	6,456	6,347	6,523	6,749	6,806
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(4,305)	(5,071)	(5,204)	(5,360)	(5,551)	(5,671)	(6,354)
Supplies and services	(2,174)	(3,144)	(3,006)	(3,089)	(2,786)	(2,839)	(3,180)
Accommodation.....	(410)	(513)	(513)	(528)	(544)	(548)	(1,073)
Other payments	(1,110)	(694)	(688)	(777)	(849)	(858)	(928)
Receipts							
Regulatory fees and fines.....	-	1,356	1,356	1,771	1,699	1,699	1,699
Sale of goods and services	1,381	1,297	1,297	1,309	1,412	1,412	1,412
GST receipts.....	413	253	253	253	253	253	253
Other receipts	331	96	96	96	67	67	67
Net cash from operating activities.....	(5,874)	(6,420)	(6,409)	(6,325)	(6,299)	(6,485)	(8,104)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	-	(81)	(109)	-	(53)	(90)	-
Net cash from investing activities.....	-	(81)	(109)	-	(53)	(90)	-
NET INCREASE/(DECREASE) IN CASH HELD	1,066	37	(62)	22	171	174	(1,298)
Cash assets at the beginning of the reporting period	1,929	1,951	2,995	2,933	2,955	3,126	3,300
Cash assets at the end of the reporting period.....	2,995	1,988	2,933	2,955	3,126	3,300	2,002

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(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

**RECONCILIATION RELATING TO MAJOR FUNCTIONAL TRANSFERS
AND ACCOUNTING POLICY CHANGES**

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement.....	7,634	9,301	9,290	9,603	9,588	9,777	11,384
Adjustment for Notional Superannuation.....	(1)	-	-	-	-	-	-
Adjusted Total Cost of Services	7,633	9,301	9,290	9,603	9,588	9,777	11,384

NET APPROPRIATION DETERMINATION

A determination by the Treasurer, pursuant to Section 23 of the *Financial Management Act 2006*, provides for the retention of the following cash receipts by the Department:

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000
Recoups from Industry	1,381	2,653	2,653	3,080
GST Input Credits.....	413	253	253	253
Receipts from the Executive Vehicle Scheme	15	16	16	16
Other Receipts.....	316	80	80	80
TOTAL.....	2,125	3,002	3,002	3,429

The moneys received and retained are to be applied to the Department's services as specified in the Budget Statements.

INSURANCE COMMISSION OF WESTERN AUSTRALIA

ASSET INVESTMENT PROGRAM

The Commission's asset investment program for 2009-10 and the Forward Estimates period totals \$19.8 million. The major projects to be funded are:

- Information Technology (IT) Hardware - for network capacity and infrastructure upgrades, the replacement of servers, printers, scanners and personal computers;
- IT Software - for the replacement of both the Motor Vehicle Personal Injury and Riskcover Fund insurance mainframe systems, upgrades to the imaging system and computer systems management; and
- Purchase of motor vehicles, net of sale proceeds.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
WORKS IN PROGRESS							
IT Hardware	17,360	5,435	2,330	1,055	1,730	1,170	1,060
IT Software	28,382	10,772	1,835	3,350	4,930	4,600	1,100
Motor Vehicles	4,129	2,729	311	200	200	200	200
COMPLETED WORKS							
Leasehold Improvements	-	873	873	-	-	-	-
Plant and Equipment	-	279	279	-	-	-	-
Total Cost of Asset Investment Program	49,871	20,088	5,628	4,605	6,860	5,970	2,360
FUNDED BY							
Internal Funds and Balances			5,628	4,605	6,860	5,970	2,360

OFFICE OF THE AUDITOR GENERAL

PART 8 - TREASURER; MINISTER FOR COMMERCE; SCIENCE AND INNOVATION; HOUSING AND WORKS

DIVISION 39

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 69 Net amount appropriated to deliver services	16,157	16,668	16,659	16,764	17,505	18,103	18,623
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	484	497	501	517	564	597	615
Total appropriations provided to deliver services	16,641	17,165	17,160	17,281	18,069	18,700	19,238
CAPITAL							
Item 148 Capital Appropriation.....	108	145	145	255	269	-	250
TOTAL APPROPRIATIONS	16,749	17,310	17,305	17,536	18,338	18,700	19,488
EXPENSES							
Total Cost of Services.....	16,401	17,072	17,137	17,079	17,867	18,685	19,216
Net Cost of Services ^(a)	16,376	17,052	17,117	17,059	17,847	18,665	19,195
CASH ASSETS ^(b)	1,741	1,397	1,664	1,923	2,132	2,243	3,302

(a) Represents total cost of services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.

(b) As at 30 June each financial year.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2008-09 Budget to Parliament on 8 May 2008 are outlined below.

	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Election Commitments					
Media and Marketing, Advertising and Consultants Savings.....	(17)	(35)	(35)	(35)	(35)
3% Efficiency Dividend					
Reduce Financial Audit Coverage and Costs	-	(271)	(292)	(315)	(331)
Reduce Non-essential Performance Examinations	-	(150)	(150)	(150)	(150)
Reduce Audit Support Services	-	(80)	(80)	(80)	(80)
General Operational and Administrative Savings	(246)	-	-	-	-
Total Savings.....	(246)	(501)	(522)	(545)	(561)

OUTCOMES, SERVICES AND KEY PERFORMANCE INFORMATION

Relationship to Government Goals

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the agency's service and desired outcome, and the government goal it contributes to. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Goal	Desired Outcome	Service
Financial and Economic Responsibility: Responsibly managing the State's finances through the efficient and effective delivery of services, encouraging economic activity and reducing regulatory burdens on the private sector.	An informed Parliament on public sector accountability and performance.	1. Performance Auditing

Service Summary

Expense	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
1. Performance Auditing.....	16,401	17,072	17,137	17,079	17,867	18,685	19,216
Total Cost of Services	16,401	17,072	17,137	17,079	17,867	18,685	19,216

Significant Issues Impacting the Agency

- In November 2008, the Office reported a significant increase in the total number of financial and information system control weaknesses identified in the 2007-08 audit program. This indicated a decline in the overall management control environment and a need for greater audit liaison with agencies in the coming years.
- The drive to achieve savings through improved public sector efficiency will involve changes to back office functions within agencies. The implementation of these changes has the potential to affect the public sector's control and reporting practices and by extension, the level of audit risk.
- The creation of several new agencies and the impending abolishment of several others will add to the audit work load in 2009-10.
- Royalties for Regions is a major initiative whereby hundreds of millions of dollars will be distributed by state government agencies over the forward estimates to Regional Local Governments and Community Groups. The materiality of this program will require the Office to monitor the transparency and governance arrangements supporting this strategy.
- The Commonwealth Government has announced its intention to inject billions of dollars into capital expenditure initiatives across Australia. Western Australian government agencies will be a major conduit for this funding. It is expected that the Office will be required to provide some assurance over the transparency and governance arrangements supporting this expenditure.

The global financial crisis is affecting the value of investments in the balance sheets of many government agencies. Providing assurance as to the appropriate recognition and transparent reporting of these investments will be a major undertaking of the Office over the next 12 months. Other matters, such as recoverability of debtors and a heightened risk of fraud, will also require greater attention.

Outcomes and Key Effectiveness Indicators ^(a)

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Outcome: An informed Parliament on public sector accountability and performance:					
The extent that the Office of the Auditor General is effective in informing Parliament about public sector accountability and performance, measured by the number of tabled reports compared to target and the following categories of matters about which Parliament has been informed:					1
Service delivery - reports tabled	3	n/a	2	4	
Economic development - reports tabled	1	n/a	4	3	
Social and environment - reports tabled	5	n/a	3	3	
Governance - reports tabled	7	n/a	9	8	

(a) Further detail in support of the key effectiveness indicators is provided in the Annual Report.

Explanation of Significant Movements

(Notes)

1. This key effectiveness indicator is new from 2009-10. A key element of this KPI is an annual and three year target for each category of report. Because this indicator is new, performance against the three year target will not be evident until 2011-12. The three year target for each category is 12, 9, 11 and 22 reports respectively and 54 reports overall. The target will remain fixed while variations from target will be part of the explanation of performance. In the first two years of use of this KPI, actual performance of prior years will be reported. Further detail in support of the key effectiveness indicator will be provided in the Annual Report.

Both the Public Accounts Committee and the Estimates and Financial Operations Committee of the Parliament are provided with a summary of the forward audit program for information and comment.

Services and Key Efficiency Indicators

1: Performance Auditing

The Office is responsible for undertaking the external audit of the Western Australian public sector. This is done through audits of controls, financial statements and performance indicators, examinations of efficiency and effectiveness and the tabling of reports thereon to Parliament.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 16,401	\$'000 17,072	\$'000 17,137	\$'000 17,079	
Less Income.....	25	20	20	20	
Net Cost of Service ^(a)	16,376	17,052	17,117	17,059	
Employees (Full Time Equivalents)	106	103	102	103	
Efficiency Indicators ^{(b) (c)}					
Total audit cost per \$m of Gross Government Expenditure	\$589	\$593	\$558	\$563	
Attest audit cost per \$m of Gross Government Expenditure	\$441	\$445	\$419	\$422	
Performance examination cost per \$m of Gross Government Expenditure	\$147	\$148	\$140	\$141	

- (a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.
- (b) These key efficiency indicators are new from 2009-10.
- (c) Audit services are of two types – attest audits and performance examinations. Performance in 2007-08 has been retrospectively calculated to assist understanding. Audit Cost is the total cost of services. Gross Government Expenditure sourced from the 2007-08 Annual Report on State Finances (September 2008), the 2008-09 Budget Economic and Fiscal Outlook No 3 (May 2008) and the 2008-09 Government Mid-Year Financial Projections Statement (December 2008).

ASSET INVESTMENT PROGRAM

The 2009-10 asset management program provides for the cyclical replacement of computers and ancillary equipment, acquisition and implementation of essential information systems and ongoing enhancements to the data communications network. The Office's asset management program is serviced at a level appropriate to the technology currently in use in the public sector.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
COMPLETED WORKS							
Computer Hardware and Software 2008-09 Program.....	763	763	763	-	-	-	-
NEW WORKS							
Computer Hardware and Software							
2009-10 Program	548	-	-	548	-	-	-
2010-11 Program	519	-	-	-	519	-	-
2011-12 Program	482	-	-	-	-	482	-
2012-13 Program	547	-	-	-	-	-	547
Total Cost of Asset Investment Program	2,859	763	763	548	519	482	547
FUNDED BY							
Capital Appropriation			145	255	269	-	250
Asset Sales			50	-	-	-	-
Drawdowns from the Holding Account			302	293	200	482	297
Internal Funds and Balances			266	-	50	-	-

FINANCIAL STATEMENTS**INCOME STATEMENT ^(a)
(Controlled)**

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(c)	8,779	9,115	9,444	9,683	10,056	10,429	10,734
Supplies and services	5,827	5,522	5,109	4,871	5,254	5,430	5,580
Accommodation	730	1,202	1,202	1,236	1,278	1,473	1,514
Depreciation and amortisation	388	573	573	573	543	557	572
Other expenses	677	660	809	716	736	796	816
TOTAL COST OF SERVICES.....	16,401	17,072	17,137	17,079	17,867	18,685	19,216
Income							
Other revenue	25	20	20	20	20	20	21
Total Income.....	25	20	20	20	20	20	21
NET COST OF SERVICES.....	16,376	17,052	17,117	17,059	17,847	18,665	19,195
INCOME FROM STATE GOVERNMENT							
Service appropriations	16,641	17,165	17,160	17,281	18,069	18,700	19,238
Resources received free of charge	9	16	16	16	16	16	16
TOTAL INCOME FROM STATE GOVERNMENT.....	16,650	17,181	17,176	17,297	18,085	18,716	19,254
SURPLUS/(DEFICIENCY) FOR THE PERIOD	274	129	59	238	238	51	59

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(c) The Full Time Equivalents (FTEs) for 2007-08 Actual, 2008-09 Estimated Actual and 2009-10 Estimate are 106, 102 and 103 respectively.

BALANCE SHEET ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	1,649	1,286	1,547	1,781	1,965	2,076	3,135
Holding account receivables	736	-	736	736	736	736	736
Receivables	620	512	622	624	624	624	624
Other	21	139	21	21	21	21	21
Total current assets	3,026	1,937	2,926	3,162	3,346	3,457	4,516
NON-CURRENT ASSETS							
Holding account receivables	-	1,007	271	551	894	969	1,244
Property, plant and equipment	383	388	148	123	99	24	-
Intangibles	482	111	748	748	748	748	747
Restricted cash	92	111	117	142	167	167	167
Other	193	204	193	193	193	193	193
Total non-current assets	1,150	1,821	1,477	1,757	2,101	2,101	2,351
TOTAL ASSETS.....	4,176	3,758	4,403	4,919	5,447	5,558	6,867
CURRENT LIABILITIES							
Employee provisions	1,629	1,246	1,629	1,647	1,647	1,657	1,757
Payables	944	588	944	944	944	944	1,644
Other	56	76	79	79	100	100	100
Total current liabilities	2,629	1,910	2,652	2,670	2,691	2,701	3,501
NON-CURRENT LIABILITIES							
Employee provisions	226	382	226	231	231	281	481
Total non-current liabilities	226	382	226	231	231	281	481
TOTAL LIABILITIES.....	2,855	2,292	2,878	2,901	2,922	2,982	3,982
EQUITY							
Contributed equity	737	882	882	1,137	1,406	1,406	1,656
Accumulated surplus/(deficit)	584	584	643	881	1,119	1,170	1,229
Total equity	1,321	1,466	1,525	2,018	2,525	2,576	2,885
TOTAL LIABILITIES AND EQUITY	4,176	3,758	4,403	4,919	5,447	5,558	6,867

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CASHFLOW STATEMENT ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	16,055	16,592	16,587	16,708	17,526	18,143	18,666
Capital appropriation	108	145	145	255	269	-	250
Holding account drawdowns	363	302	302	293	200	482	297
Net cash provided by State Government.....	16,526	17,039	17,034	17,256	17,995	18,625	19,213
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(8,468)	(9,092)	(9,421)	(9,660)	(10,033)	(10,369)	(10,434)
Supplies and services	(4,810)	(5,358)	(5,094)	(4,856)	(5,238)	(5,396)	(4,862)
Accommodation	(730)	(1,202)	(1,202)	(1,236)	(1,278)	(1,473)	(1,514)
Other payments	(1,841)	(1,113)	(1,113)	(1,129)	(1,150)	(1,226)	(1,268)
Receipts							
GST receipts.....	373	412	412	412	412	412	450
Other receipts	25	20	20	20	20	20	21
Net cash from operating activities.....	(15,451)	(16,333)	(16,398)	(16,449)	(17,267)	(18,032)	(17,607)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(352)	(497)	(763)	(548)	(519)	(482)	(547)
Proceeds from sale of non-current assets	-	50	50	-	-	-	-
Net cash from investing activities.....	(352)	(447)	(713)	(548)	(519)	(482)	(547)
NET INCREASE/(DECREASE) IN CASH HELD	723	259	(77)	259	209	111	1,059
Cash assets at the beginning of the reporting period.....	1,018	1,138	1,741	1,664	1,923	2,132	2,243
Cash assets at the end of the reporting period.....	1,741	1,397	1,664	1,923	2,132	2,243	3,302

(a) Full audited financial statements are published in the Annual Report.

(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

DETAILS OF ADMINISTERED TRANSACTIONS

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
INCOME							
Other							
User Charges and Fees - Audit Fees.....	12,695	12,903	12,657	12,733	13,051	13,376	13,891
TOTAL INCOME.....	12,695	12,903	12,657	12,733	13,051	13,376	13,891
EXPENSES							
Other							
Receipts Paid into Consolidated Account	12,557	12,903	12,657	12,733	13,051	13,376	13,891
TOTAL EXPENSES.....	12,557	12,903	12,657	12,733	13,051	13,376	13,891

NET APPROPRIATION DETERMINATION

A determination by the Treasurer, pursuant to Section 23 of the *Financial Management Act 2006*, provides for the retention of the following cash receipts by the Office:

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000
GST Input Credits.....	348	110	110	110
GST Receipts on Sales.....	25	302	302	302
Other Receipts.....	25	20	20	20
TOTAL.....	398	432	432	432

The moneys received and retained are to be applied to the agency's services as specified in the Budget Statements.

WESTERN AUSTRALIAN TREASURY CORPORATION

ASSET INVESTMENT PROGRAM

The Corporation's asset investment program for 2009-10 and the Forward Estimates period totals \$3.1 million. This will fund upgrades to information technology hardware and software.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
COMPLETED WORKS							
Computer Hardware/Software - 2008-09 Program	748	748	748	-	-	-	-
NEW WORKS							
Computer Hardware/Software							
2009-10 Program	1,569	-	-	1,569	-	-	-
2010-11 Program	554	-	-	-	554	-	-
2011-12 Program	469	-	-	-	-	469	-
2012-13 Program	557	-	-	-	-	-	557
Total Cost of Asset Investment Program	3,897	748	748	1,569	554	469	557
FUNDED BY							
Internal Funds and Balances			748	1,569	554	469	557

COMMERCE

PART 8 - TREASURER; MINISTER FOR COMMERCE; SCIENCE AND INNOVATION; HOUSING AND WORKS

DIVISION 40

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 70 Net amount appropriated to deliver services	117,396	133,578	140,736	123,930	115,155	106,286	99,707
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	747	683	702	721	741	764	787
Total appropriations provided to deliver services	118,143	134,261	141,438	124,651	115,896	107,050	100,494
CAPITAL							
Item 149 Capital Appropriation.....	11,363	10,329	7,550	1,611	425	1,888	-
TOTAL APPROPRIATIONS	129,506	144,590	148,988	126,262	116,321	108,938	100,494
EXPENSES							
Total Cost of Services.....	154,182	175,136	151,471	166,430	147,584	143,013	140,374
Net Cost of Services ^(a)	119,850	138,937	114,385	133,000	113,763	108,531	105,791
CASH ASSETS ^(b)	24,053	13,061	45,453	35,899	38,794	38,075	29,175

(a) Represents total cost of services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.

(b) As at 30 June each financial year.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2008-09 Budget to Parliament on 8 May 2008 are outlined below.

	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Election Commitments					
Media and Marketing, Advertising and Consultants Savings	(255)	(469)	(413)	(413)	(408)
3% Efficiency Dividend					
Office of the Director General and Corporate Services – Reduction in Departmental Overhead Expenses	(431)	(906)	(927)	(951)	(973)
Aboriginal Economic Development Unit (AED) – Discontinuation of Non-Operational Program.....	(149)	(302)	(318)	(335)	(343)
Consumer Protection Division – Reduction in Non-Core Activities.....	(337)	(707)	(724)	(743)	(761)
Labour Relations Division – Delayed Recruitment and Reduction in Overheads.....	(205)	(430)	(441)	(453)	(465)
Resources Safety Division – Reduction in Staffing and Training	(255)	(926)	(902)	(902)	(920)
WorkSafe Division – Rationalisation of Staffing and Reduced Expenditure on Consultants, Advertising and Overtime.....	(150)	(325)	(325)	(325)	(333)
Total Savings.....	(1,527)	(3,596)	(3,637)	(3,709)	(3,795)

	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Economic Audit					
Discontinuation and transfer of the AED Function ^(a)	-	(4,471)	(3,011)	(2,111)	(2,111)

(a) Savings associated with undertaking the AED activities have been identified as part of the Economic Audit. A total of \$600,000 per annum has been re-allocated equally to the Small Business Development Corporation and the Department of Agriculture and Food for the part continuation of this function.

RESOURCE AGREEMENT

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Minister, Accountable Authority and Treasurer under Part 3, Division 5 of the *Financial Management Act 2006*.

OUTCOMES, SERVICES AND KEY PERFORMANCE INFORMATION

Relationship to Government Goals

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the agency's services and desired outcomes, and the government goal it contributes to. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Goals	Desired Outcomes	Services
Outcomes-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	A fair trading environment that protects consumers and traders in Western Australia.	1. Consumer Protection
Social and Environmental Responsibility: Ensuring that economic activity is managed in a socially and environmentally responsible manner for the long-term benefit of the State.	A community in which workplaces are operated in a safe and fair manner.	2. Safety and Employment Protection
Financial and Economic Responsibility: Responsibly managing the State's finances through the efficient and effective delivery of services, encouraging economic activity and reducing regulatory burdens on the private sector.	Enhancement of the State's economic sustainability and prosperity.	3. Science, Innovation and Business

Service Summary

Expense	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
1. Consumer Protection	43,919	45,943	47,275	47,460	48,866	51,418	52,367
2. Safety and Employment Protection	44,320	45,047	44,544	45,007	46,341	48,761	49,661
3. Science, Innovation and Business	65,943	84,146	59,652	73,963	52,377	42,834	38,346
Total Cost of Services	154,182	175,136	151,471	166,430	147,584	143,013	140,374

Significant Issues Impacting the Agency

- The Council of Australian Government's (COAG) reforms have a significant impact on the Department. The seamless national economy reform agenda will impact the Department, as its implementation will require amendment to relevant Acts of Parliament over the next three years. The transfer of key functions to the Commonwealth Government will have a resultant impact on customers, staff and business systems. Aspects of these reforms that impact the Department are as follows:
 - The national alignment of occupational safety and health regulatory frameworks will increasingly influence occupational safety and health policy initiatives in Western Australia. The Department is contributing to the development of a harmonised system of occupational health and safety in Australia by working towards the development of a national occupational health and safety Act and supporting regulations.
 - The development of a national licensing system for designated occupations is proceeding. This includes, supporting the establishment of a national licensing system for the energy (electricity and gas) industry allowing a licence to be utilised in all States and Territories of Australia, as well as occupation licensing systems for property and building industries within the Commerce portfolio.
 - The standardisation of safety and technical requirements across the energy supply industry will significantly affect the current regulatory regime. Significant progress has been made in developing national regimes for electrical appliance safety approvals, gas appliance safety approvals and restricted electrical licensing, to provide a more uniform regulatory framework across jurisdictions.
 - The Department will continue to participate at a national level to progress improvements to the energy efficiency of gas appliances and equipment. The proposed regulatory model will provide for each jurisdiction to regulate gas efficiency through existing legislation, with changes required to the *Gas Standards Act 1972*.
 - The Department will continue to contribute to the development of a new, nationally uniform fair trading Act to replace the existing *Fair Trading Act 1987* and the *Consumer Affairs Act 1971*.
 - The transfer of regulation of credit and finance broking to the Commonwealth Government is proceeding and is expected to be finalised in November 2009.
 - The Department is participating in the harmonisation of trade measurement regulation to develop a national trade measurement system. This will require the administration of the system to be transferred to the National Measurement Institute.
 - The Department is participating in work to establish a national system of registration for business names and the transfer of responsibility for administering the national system to the Australian Securities and Investments Commission.
 - The Department is coordinating the State Government's process to transfer the regulation of personal property securities to the Commonwealth Government.
 - The process of harmonising product safety regulation in Western Australia with other Australian jurisdictions through amendment regulations and the revoking of defunct orders is continuing and work is required to bring into line all Western Australian product safety bans and mandatory standards with those of other jurisdictions.
- The Commonwealth Government will implement a new national industrial relations system during the 2009-10 financial year. The State Government has decided not to refer its remaining industrial relations powers to the new national system, but will review and modernise the existing State industrial relations system. These developments will have a significant impact on all Western Australian public sector and unincorporated employers and employees. The Department will provide support to an independent review of the State industrial relations system and subsequent reform legislation, in order to promote flexible, balanced and productive Western Australian workplaces and will, if necessary, develop State employment legislation to ensure that public sector employees are retained in the Western Australian industrial relations jurisdiction.

- The Government is implementing a public sector wages policy to achieve wage outcomes that are industrially and economically sustainable in the current economic climate. The Department continues to work with the Department of Treasury and Finance to implement the new wages policy to enable greater efficiency and productivity in the public sector.
- The capacity of small business to comply with State employment laws will be enhanced by strengthening the advisory, educational and compliance services provided.
- Western Australia remains committed to the national occupational safety and health targets which aim for at least a 20 per cent reduction in fatalities and a 40 per cent reduction in injuries between 2002 and 2012.
- Regulations that require the installation for residual current devices to be installed in a dwelling (house or unit) prior to the sale of the premises and within two years in the case of leased premises are set to be implemented during the course of the year.
- Changes in the marketplace as a result of the global economic downturn are expected to result in reduced consumer demand and an increased failure rate of businesses and numbers of related consumer complaints.
- The Government is considering the introduction of legislation relating to extension of metropolitan weekday retail trading hours.
- Following reviews of relevant legislation, the Department will complete drafting to secure the introduction into Parliament, of the Residential Tenancies, Retirement Villages, Associations Incorporation, Hairdressers Registration and Commercial Tenancy (Retail Shops) Agreements Amendment Bills.
- The Department will commence drafting amendments to legislation regulating boards to create efficiencies and simplify consumer and occupational regulation in Western Australia.
- The Government has undertaken a major independent review of Science and Innovation Division to determine its future direction. The review which has encompassed views from industry bodies, the science and innovation business community and Advisory groups commenced in January 2009, with recommendations expected by 30 June 2009.
- The Department has continued efforts to provide broadband infrastructure to the Kimberley and remote regions, projects include enhanced medical and emergency communications infrastructure and upgrades to Indigenous communities. The Department is in discussions with the Commonwealth in a bid to secure broadband funding and determine the State's contribution and requirements.
- The Government's \$20 million investment in radio astronomy science established the International Centre for Radio Astronomy Research, a joint venture between the University of Western Australia and Curtin University of Technology, the Centre is a significant factor in the enhancement of Australia's bid for the Square Kilometre Array.
- The Department assisted with establishing the early clinical trials facility at the Sir Charles Gairdner Hospital site in Nedlands with the State Government's funding being secured for the Western Australian Institute of Medical Research to establish the facility.
- The Department finalised the implementation of major capital works at the Australian Marine Complex and will continue to pursue opportunities for Western Australian industry to participate in local and international marine and defence off shore oil and gas markets.

Outcomes and Key Effectiveness Indicators ^(a)

	2007-08 Actual ^(b)	2008-09 Budget ^(c)	2008-09 Estimated Actual	2009-10 Budget Target	Note
Outcome: A fair trading environment that protects consumers and traders in Western Australia:					
The extent to which traders comply with regulatory requirements	93%	95%	93%	95%	
The extent of consumer confidence in Western Australia's trading environment	72%	75%	72%	75%	
Outcome: A community in which workplaces are operated in a safe and fair manner:					
The extent of compliance with safety and employment protection regulatory requirements.....	82%	n/a	82%	82%	
Outcome: Enhancement of the State's economic sustainability and prosperity:					
Index of funding leverage obtained for Western Australia from science and innovation research grants ^(d)	7.7:1	n/a	6.9:1	6.1:1	
Number of employment and business opportunities facilitated ^(e)	590	885	728	_(f)	

(a) Further detail in support of the key effectiveness indicators is provided in the agency's Annual Report.

(b) On 1 January 2009, the Department of Consumer and Employment Protection (DOCEP) was renamed the Department of Commerce (DOC). The Science, Innovation and Business Division of the former Department of Industry and Resources (DOIR) was transferred to the DOC and the Resources Safety Division of the former DOCEP was transferred to the Department of Mines and Petroleum (DMP). The DOC's Outcome Based Management (OBM) framework was approved with effect from the 2008-09 annual reporting period. For comparative purposes the 2007-08 Actual results have been recast based on the OBM structure.

(c) Where applicable the 2008-09 Budget figures have been derived from the 2008-09 Target as published in the DOCEP and DOIR 2008-09 Budget Papers, Outcomes and Key Effectiveness Indicators.

(d) Ratio of dollars provided by the Commonwealth and other sources for every dollar provided by the State. Leveraging additional research funding aims to assist industry to become more competitive. In this way, the Department contributes to enhancement of the State's economic sustainability and prosperity. The indicator relates to Centres of Excellence established since 2000, where grants are concluded.

(e) For the purposes of the effectiveness indicator, employment and business opportunities are specifically defined as employment opportunities, business start-ups, business development and expansion opportunities facilitated for Indigenous communities.

(f) As part of the 2009-10 Budget Process Economic Audit policy decision, this Effectiveness Indicator will no longer apply from 2009-10 due to the cessation of the Aboriginal Economic Development unit.

Services and Key Efficiency Indicators

1: Consumer Protection

The provision of consumer protection advice, information, education and business regulation services to the Western Australian community.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 43,919	\$'000 45,943	\$'000 47,275	\$'000 47,460	
Less Income	18,055	18,806	19,506	17,670	
Net Cost of Service ^(a)	25,864	27,137	27,769	29,790	
Employees (Full Time Equivalents)	416	416	433	429	
Efficiency Indicators ^(b)					
Average Cost per Client Contact to Provide Information and Advice	\$2.66	\$2.40	\$2.54	\$2.47	
Average Cost per Policy Project	\$177,650	\$259,572	\$218,347	\$225,958	
Average Cost per Inspection or Investigation	\$407	\$477	\$509	\$477	
Average Cost per Registration or Licence	\$11.98	\$14.16	\$14.89	\$15.72	

- (a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.
- (b) The Department's OBM framework was approved with effect from the 2008-09 year. To enable comparability, the 2007-08 Actual and 2008-09 Budget results have been recast on the basis of the new structure.

2: Safety and Employment Protection

The provision of advice, information, education and regulation services to the Western Australian community in the areas of:

- occupational safety and health;
- energy safety; and
- labour relations.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 44,320	\$'000 45,047	\$'000 44,544	\$'000 45,007	
Less Income	14,433	14,022	16,673	15,104	
Net Cost of Service ^(a)	29,887	31,025	27,871	29,903	
Employees (Full Time Equivalents)	344	352	349	347	
Efficiency Indicators ^(b)					
Average Cost per Client Contact to Provide Information and Advice	\$3.81	\$3.82	\$5.23	\$5.40	
Average Cost per Hour of Policy Advice ^(c)	\$140	\$147	\$153	\$159	
Average Cost per Inspection or Investigation	\$926	\$918	\$881	\$909	
Average Cost per Registration or Licence	\$53.68	\$62.19	\$75.18	\$81.32	

- (a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.
- (b) On 1 January 2009, the DOCEP was renamed the DOC. The Science, Innovation and Business Division of the former DOIR was transferred to the DOC and the Resources Safety Division of the former DOCEP was transferred to the DMP. The Department's OBM framework was approved with effect from the 2008-09 annual reporting period. For comparative purposes the 2007-08 Actual results have been recast based on the OBM structure.
- (c) This indicator reflects the development and amendment of labour relations policy, legislation and regulations, providing policy advice and preparing submissions on behalf of the Minister for Commerce and Government to State and Federal industrial tribunals, Senate Inquiries, etc in relation to the regulatory framework.

3: Science, Innovation and Business

Enhances the State's prosperity by promoting science, innovation and business. Services include:

- supporting the Science and Innovation Council with science policy development advice;
- administering research capability and infrastructure grants;
- supporting industry development through innovation and commercialisation; and
- administering science and innovation programs and projects.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 65,943	\$'000 84,146	\$'000 59,652	\$'000 73,963	
Less Income.....	1,844	3,371	907	656	
Net Cost of Service ^(a)	64,099	80,775	58,745	73,307	
Employees (Full Time Equivalents)	128	138	126	113	
Efficiency Indicators ^{(b) (c)}					
Average cost per science and innovation project managed	\$196,800	n/a	\$214,624	\$242,211	

- (a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.
- (b) On 1 January 2009, the DOCEP was renamed the DOC. The Science, Innovation and Business Division of the former DOIR was transferred to the DOC and the Resources Safety Division of the former DOCEP was transferred to the DMP. The Department's OBM framework was approved with effect from the 2008-09 annual reporting period. For comparative purposes the 2007-08 Actual results have been recast based on the OBM structure.
- (c) The Efficiency Indicator excludes grants paid to external parties.

ASSET INVESTMENT PROGRAM

The Asset Investment program for 2009-10 is estimated at \$4.8 million. In support of delivering services the department has a high reliance on information systems technology in respect to databases, record keeping and communications. Investment in assets mainly relates to developing the Department's Information Technology Infrastructure including its Compliance Management System which is being developed in-house.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
WORKS IN PROGRESS							
Accommodation Infrastructure							
Relocation of Energy Safety and Resources Safety							
Divisions to Cannington	2,290	1,879	-	-	-	-	411
Bentley Technology Park – Stage 1 Implementation							
Business Systems Development and Enhancement	5,771	3,804	-	1,967	-	-	-
Business Names System (Western Australia)	2,000	518	500	500	-	-	982
Integrated Document Management System.....	1,600	1,210	-	-	-	-	390
Safety Regulation System Improvement	3,300	2,584	1,500	300	-	-	416
WorkSafe Information System Environment	3,000	1,107	500	500	-	-	1,393
Computer Hardware and Software - 2003-04 Program	791	754	-	-	-	-	37
DOCEP Online Services							
Provision of Online Access for the Community.....	1,407	1,266	-	-	-	-	141
Other Works							
Additional Security at Kalgoorlie and Baldy Explosive							
Reserves	1,600	1,557	-	-	-	-	43
PC Replacement Plan							
2004-05 to 2005-06 Program.....	1,660	1,455	-	-	-	-	205
2006-07 Program	847	510	-	-	-	-	337
Southern Precinct.....	127,300	127,000	1,689	100	100	100	-

COMPLETED WORKS							
Information Technology Infrastructure							
Business Systems and Online Infrastructure	1,233	1,233	150	-	-	-	-
Marine Industry Technology Park	25,350	25,350	1,520	-	-	-	-
Office of Science Innovate Western Australia	12,012	12,012	4,900	-	-	-	-
PC Replacement Plan - 2008-09 Program	1,120	1,120	1,120	-	-	-	-
NEW WORKS							
Information Technology Infrastructure							
Asset Replacement	1,275	-	-	211	95	969	-
Customer Focused Service Delivery	1,788	-	-	-	-	1,788	-
Service Improvement	536	-	-	211	325	-	-
System Stabilisation	6,433	-	-	1,056	3,254	2,123	-
Total Cost of Asset Investment Program	201,313	183,359	11,879	4,845	3,774	4,980	4,355
FUNDED BY							
Capital Appropriation			7,550	1,611	425	1,888	-
Drawdowns from the Holding Account			1,120	1,267	3,349	3,092	-
Internal Funds and Balances			3,209	1,967	-	-	4,355

FINANCIAL STATEMENTS

Income Statement

Expenses

The Income Statement shows an estimated increase in the 2009-10 Budget Estimate for Total Cost of Services of \$15.0 million (9.9 per cent) when compared to the 2008-09 Estimated Actual. This is mainly attributable to increased Grants and Subsidies expenditures of \$16.2 million. Increased grant expenditure arises out of grant funding being drawn down in 2008-09 but not paid out until 2009-10. New grant funding for 2009-10 is decreased. Other lines items are relatively stable with a reduction in expenses arising from 3% efficiency dividend savings.

Income

Income is estimated to be \$33.4 million in 2009-10. This represents a decrease in income of \$3.7 million (9.9 per cent) from the 2008-09 Estimated Actual, and arises from an expected reduction in economic activity in the community leading to reduced departmental income from regulatory fees.

Income from State Government:

The service appropriations 2009-10 reflect the reduced funding for grants and subsidies as described above.

Balance Sheet

Total assets are expected to decrease from \$119.5 million in the 2008-09 Estimated Actual to \$116.0 million in 2009-10. This mainly reflects the reduction in cash balances as grants funds held in 2008-09 are paid in 2009-10. Other assets are mainly stable between the years, with the main change being an increase of \$1.8 million arising from the software assets which the department is developing under the asset investment program categorised as intangible assets. Total liabilities are expected to remain relatively stable. Equity is also projected to decrease reflecting the payment of grant funds during 2009-10.

Cashflow Statement

Cashflows from State Government are decreasing between 2008-09 Estimated Actual and 2009-10 reflecting reduced Grants and Subsidies. Over the same period Net Cash Outflows from operating activities are increasing reflecting the payment of the grants funds carried forward from 2008-09 to 2009-10.

The decrease in net cash flows from investing activities between 2008-09 (\$11.9 million) and 2009-10 (\$4.9 million) mainly relates to the infrastructure development of Bentley Technology Park and the Office of Science Innovate WA.

INCOME STATEMENT ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(c)	69,392	71,307	71,667	69,752	71,200	73,730	75,274
Grants and subsidies ^(d)	47,641	63,669	38,833	55,071	32,925	22,365	17,500
Supplies and services	20,906	24,971	25,761	25,806	27,516	30,310	31,030
Accommodation	9,055	9,126	8,293	9,676	9,772	9,912	9,889
Depreciation and amortisation	2,118	3,186	3,490	2,349	2,343	2,338	2,331
Other expenses	5,227	3,615	3,427	3,776	3,828	4,358	4,350
TOTAL COST OF SERVICES	154,339	175,874	151,471	166,430	147,584	143,013	140,374
Income							
Sale of goods and services	12,536	11,199	12,992	11,448	10,993	11,263	11,063
Regulatory fees and fines	19,631	21,822	23,542	21,416	22,262	22,653	22,954
Grants and subsidies	318	2,682	182	-	-	-	-
Other revenue	1,847	496	370	566	566	566	566
Total Income	34,332	36,199	37,086	33,430	33,821	34,482	34,583
NET COST OF SERVICES	120,007	139,675	114,385	133,000	113,763	108,531	105,791
INCOME FROM STATE GOVERNMENT							
Service appropriations	118,143	134,261	141,438	124,651	115,896	107,050	100,494
Resources received free of charge	798	752	752	752	752	752	752
Liabilities assumed by the Treasurer ^(e)	157	738	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	119,098	135,751	142,190	125,403	116,648	107,802	101,246
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(909)	(3,924)	27,805	(7,597)	2,885	(729)	(4,545)
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	(909)	(3,924)	27,805	(7,597)	2,885	(729)	(4,545)

(a) Full audited financial statements are published in the agency's Annual Report.

(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

(c) The Full Time Equivalents (FTEs) for 2007-08 Actual, 2008-09 Estimated Actual and 2009-10 Estimate are 888, 908 and 889 respectively.

(d) Refer Details of Controlled Grants and Subsidies table below for further information.

(e) Following a change in accounting policy, effective from 31 December 2008, notional superannuation will no longer be recognised in the financial statements.

Details of Controlled Grants and Subsidies

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Asbestos Disease Society	83	100	100	100	100	100	100
Employment Law Centre Western Australia.....	250	260	260	372	-	-	-
Farmsafe WA Alliance	64	70	69	70	70	70	70
Industry Development Financial Assistance	3,242	2,067	2,067	2,845	2,900	900	-
Safety and Health - Chamber of Commerce and Industry Western Australia	52	70	70	18	-	-	-
Science and Innovation.....	43,792	61,032	36,181	51,639	29,834	21,272	17,306
Trades and Labour Council of Western Australia	70	70	63	7	-	-	-
Workplace Reform - Unions and Employer Association.....	35	-	10	-	-	-	-
Other Miscellaneous	53	-	13	20	21	23	24
TOTAL.....	47,641	63,669	38,833	55,071	32,925	22,365	17,500

BALANCE SHEET ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	17,617	8,387	39,801	30,088	32,906	32,187	23,287
Restricted cash	5,416	3,584	4,613	4,601	4,678	4,678	4,678
Holding account receivables	1,120	2,387	1,267	3,349	3,092	-	-
Receivables	5,908	6,343	5,946	5,946	5,946	5,946	5,946
Other	1,059	891	1,009	871	871	871	871
Total current assets	31,120	21,592	52,636	44,855	47,493	43,682	34,782
NON-CURRENT ASSETS							
Holding account receivables	10,542	11,715	12,856	11,856	11,107	13,445	15,776
Property, plant and equipment	27,591	22,251	28,003	29,636	28,574	28,543	28,083
Intangibles	1,164	3,404	3,333	5,167	7,614	10,213	12,269
Restricted cash	1,020	1,090	1,039	1,210	1,210	1,210	1,210
Other	22,731	25,193	21,629	23,311	23,160	23,032	23,361
Total non-current assets	63,048	63,653	66,860	71,180	71,665	76,443	80,669
TOTAL ASSETS	94,168	85,245	119,496	116,035	119,158	120,125	115,481
CURRENT LIABILITIES							
Employee provisions	12,733	12,238	12,958	14,228	14,238	14,248	14,258
Payables	7,304	2,839	4,453	4,453	4,453	4,453	4,453
Other	1,797	1,622	1,301	1,138	1,138	1,138	1,138
Total current liabilities	21,834	16,699	18,712	19,819	19,829	19,839	19,849
NON-CURRENT LIABILITIES							
Employee provisions	4,167	4,083	4,267	3,007	3,007	3,007	3,007
Borrowings	771	771	771	-	-	-	-
Other	593	26	613	1,384	1,384	1,384	1,384
Total non-current liabilities	5,531	4,880	5,651	4,391	4,391	4,391	4,391
TOTAL LIABILITIES	27,365	21,579	24,363	24,210	24,220	24,230	24,240
EQUITY							
Contributed equity	61,451	60,854	61,976	66,265	66,493	68,179	68,070
Accumulated surplus/(deficit)	5,352	2,812	33,157	25,560	28,445	27,716	23,171
Total equity	66,803	63,666	95,133	91,825	94,938	95,895	91,241
TOTAL LIABILITIES AND EQUITY	94,168	85,245	119,496	116,035	119,158	120,125	115,481

(a) Full audited financial statements are published in the agency's Annual Report.

(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

**CASHFLOW STATEMENT ^(a)
(Controlled)**

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	114,565	130,194	137,774	122,302	113,553	104,712	98,163
Capital appropriation	11,363	10,329	7,550	1,611	425	1,888	-
Holding account drawdowns	1,120	1,120	1,120	1,267	3,349	3,092	-
Net cash provided by State Government.....	127,048	141,643	146,444	125,180	117,327	109,692	98,163
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(66,578)	(70,298)	(71,119)	(70,001)	(71,434)	(73,949)	(75,493)
Grants and subsidies	(47,641)	(63,669)	(38,833)	(55,071)	(32,925)	(22,365)	(17,500)
Supplies and services	(16,171)	(19,907)	(25,366)	(24,179)	(25,493)	(28,284)	(29,015)
Accommodation.....	(8,977)	(8,673)	(8,173)	(9,209)	(9,291)	(9,431)	(9,408)
Other payments	(9,828)	(7,068)	(6,158)	(7,701)	(8,167)	(8,690)	(8,681)
Receipts							
Regulatory fees and fines.....	20,457	23,312	20,891	21,055	21,436	21,827	22,128
Grants and subsidies	455	500	-	-	-	-	-
Sale of goods and services	12,950	10,200	12,643	12,271	12,210	12,455	12,255
GST receipts.....	3,228	2,450	2,450	2,510	2,570	2,570	2,570
Other receipts	2,695	626	500	696	696	696	696
Net cash from operating activities.....	(109,410)	(132,527)	(113,165)	(129,629)	(110,398)	(105,171)	(102,448)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(9,117)	(13,138)	(11,879)	(4,845)	(3,774)	(4,980)	(4,355)
Proceeds from sale of non-current assets	8	-	-	-	-	-	-
Net cash from investing activities.....	(9,109)	(13,138)	(11,879)	(4,845)	(3,774)	(4,980)	(4,355)
CASHFLOWS FROM FINANCING ACTIVITIES							
Net cash from financing activities.....	-	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	8,529	(4,022)	21,400	(9,554)	2,895	(719)	(8,900)
Cash assets at the beginning of the reporting period	15,524	17,083	24,053	45,453	35,899	38,794	38,075
Cash assets at the end of the reporting period.....	24,053	13,061	45,453	35,899	38,794	38,075	29,175

- (a) Full audited financial statements are published in the agency's Annual Report.
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**RECONCILIATION RELATING TO MAJOR FUNCTIONAL TRANSFERS
AND ACCOUNTING POLICY CHANGES**

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement.....	154,339	175,874	151,471	166,430	147,584	143,013	140,374
Adjustment for Notional Superannuation.....	(157)	(738)	-	-	-	-	-
Adjusted Total Cost of Services	154,182	175,136	151,471	166,430	147,584	143,013	140,374

DETAILS OF ADMINISTERED TRANSACTIONS

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
INCOME							
Taxation							
Business Names Registrations.....	5,010	4,727	4,727	4,889	5,202	5,377	5,381
Credit Providers	744	800	800	847	877	904	905
Employment Agents	248	226	226	251	258	267	267
Finance Brokers	890	885	885	954	1,268	1,110	1,075
Land Valuers	268	217	217	250	270	261	271
Motor Vehicle Dealers.....	778	793	793	858	882	914	915
Other Registration Fees	107	140	140	155	152	158	158
Other Regulatory Fees	32	68	68	72	72	73	73
Travel Agents.....	158	280	280	306	310	318	319
Commonwealth Grants							
Commonwealth Grant Revenue - Recurrent	15,473	4,731	2,849	550	-	-	-
Fines							
Regulatory Fines	98	-	-	-	-	-	-
Other							
Admin Grants and Transfer Payments	3,405	4,925	8,925	5	-	-	-
Direct Grants and Subsidies Revenue - Capital ..	-	-	1,589	-	-	-	-
Other Miscellaneous	1,856	1,071	1,071	888	888	888	888
Rental Accommodation Fund - Interest	12,001	4,725	4,725	4,865	4,865	4,865	4,865
TOTAL INCOME.....	41,068	23,588	27,295	14,890	15,044	15,135	15,117
EXPENSES							
Grants To Charitable And Other Public Bodies							
Rental Accommodation Fund - Grants	2,099	1,615	6,540	1,620	1,615	1,615	1,615
Science and Innovation.....	23,058	7,470	6,658	-	-	-	-
Other							
Interest Expense.....	-	-	11	-	-	-	-
Payments to Consolidated Account.....	10,183	10,100	10,554	10,546	11,255	11,346	10,392
Services and Contracts Expense	5,122	3,143	3,557	3,465	3,110	3,110	3,110
TOTAL EXPENSES.....	40,462	22,328	27,320	15,631	15,980	16,071	15,117

NET APPROPRIATION DETERMINATION

A determination by the Treasurer, pursuant to Section 23 of the *Financial Management Act 2006*, provides for the retention of the following cash receipts by the Department:

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000
Departmental - Miscellaneous	2,695	626	500	696
Fees and Charges – Licences	17,060	18,623	18,362	18,405
Fees and Charges – Other	3,397	4,689	2,529	2,650
GST Input Credits	3,228	2,450	2,450	2,510
Sale of Goods	171	117	189	210
Services Provided - Other	5,414	3,103	4,025	4,061
Services Provided – Real Estate Business Agents and Settlement Agents Supervisory Boards	7,820	7,480	8,429	8,000
TOTAL.....	39,785	37,088	36,484	36,532

The moneys received and retained are to be applied to the Department's services as specified in the Budget Statements.

SMALL BUSINESS DEVELOPMENT CORPORATION

PART 8 - TREASURER; MINISTER FOR COMMERCE; SCIENCE AND INNOVATION; HOUSING AND WORKS

DIVISION 41

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 71 Net amount appropriated to deliver services	11,574	12,765	12,842	12,206	12,690	10,384	10,669
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	190	196	196	202	208	214	220
Total appropriations provided to deliver services	11,764	12,961	13,038	12,408	12,898	10,598	10,889
CAPITAL							
Item 150 Capital Appropriation.....	128	134	34	84	78	84	84
TOTAL APPROPRIATIONS	11,892	13,095	13,072	12,492	12,976	10,682	10,973
EXPENSES.....							
Total Cost of Services.....	13,321	13,308	13,053	13,273	13,398	11,212	11,382
Net Cost of Services ^(a)	12,806	12,863	12,608	12,720	12,920	10,734	10,904
CASH ASSETS ^(b)	683	500	540	293	256	125	125

(a) Represents total cost of services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.

(b) As at 30 June each financial year.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2008-09 Budget to Parliament on 8 May 2008 are outlined below.

	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Election Commitments					
Media and Marketing, Advertising and Consultants Savings	(47)	(94)	(94)	(94)	(94)
3% Efficiency Dividend					
General Budget/Expenditure Reduction ^(a)	(149)	(253)	(256)	(212)	(215)
<i>Total Savings</i>	<i>(149)</i>	<i>(253)</i>	<i>(256)</i>	<i>(212)</i>	<i>(215)</i>
Economic Audit					
Transfer of Funding for the Aboriginal Economic Development Program from the Department of Commerce	-	300	300	300	300
Other					
Small Business Resilience Program	-	1,000	1,000	-	-

(a) The agency has identified a number of existing and planned minor expenditure programs where the 3% efficiency dividend will be achieved through deferral, reducing the level of activity or not proceeding with the program.

RESOURCE AGREEMENT

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Minister, Accountable Authority and Treasurer under Part 3, Division 5 of the *Financial Management Act 2006*.

OUTCOMES, SERVICES AND KEY PERFORMANCE INFORMATION**Relationship to Government Goals**

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the agency's services and desired outcomes, and the government goal it contributes to. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Goal	Desired Outcome	Service
Financial and Economic Responsibility: Responsibly managing the State's finances through the efficient and effective delivery of services, encouraging economic activity and reducing regulatory burdens on the private sector.	Development of new and existing Small Business in Western Australia.	1. Information, Guidance, Referral and Business Development Services

Service Summary

Expense	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
1. Information, Guidance, Referral and Business Development Services.....	13,321	13,308	13,053	13,273	13,398	11,212	11,382
Total Cost of Services	13,321	13,308	13,053	13,273	13,398	11,212	11,382

Significant Issues Impacting the Agency

- The downturn in the Western Australian economy has left many small businesses exposed and inadequately equipped to respond to adverse financial pressures. A new business assistance program, BIZFit, has been developed to address this issue and will operate in 2009-10 and 2010-11. The program will assist small businesses in remote, regional and metropolitan Western Australia to improve their business resilience through a suite of services, including specialised seminars, workshops, education and mentoring.
- Prevailing economic conditions present immediate and long-term challenges for the State's business sector in terms of labour supply, and planning for domestic and international migration programs. A State Migration Taskforce comprising representatives from industry, business associations and relevant state and federal government agencies will be established to develop a state migration strategy and policy framework for the next five to ten years.
- The direct and indirect costs of complying with government regulations are disproportionately higher for small to medium enterprises. A review will be undertaken of all Preliminary Impact Assessments accompanying proposed new regulations to inform the Regulation Review Unit of the impact of the proposals on small business.
- Opportunities exist in the remote areas of Halls Creek and Fitzroy Crossing for small business to benefit from local, state and federal government investment in tourism, infrastructure, and community housing. A Remote Area Business program will be introduced to provide locally coordinated and delivered services to assist businesses to identify opportunities to build joint venture partnerships and increase the capacity of the local economy to provide sub-contracted services and goods to large capital projects in the region.
- The Business Migration program is one of the State's principal business investment attraction programs, providing an important source of new capital to support the continued growth of the Western Australian economy. In 2008-09 the capital transfer into Western Australia by sponsored and registered business migrants who finalised their investment proposals will exceed \$150 million. Jobs generated are estimated to exceed 361.
- The closure of BHP Billiton's Ravensthorpe Nickel Mine resulted in an immediate impact on the region's newly established small business sector. A team of specialist business advisers and legal practitioners was provided on the ground following the announcement of the closure in order to provide advice and referral services to affected small businesses, and to assist the local Chamber of Commerce. This response assisted individual businesses to accurately assess their circumstances and make informed decisions about their future operations.
- A detailed review and analysis of the online information available to small businesses about local, state and federal government business licences has been completed during 2008-09. An upgrade of the data has been implemented to align Western Australia's systems with those in other Australian jurisdictions. To assist the delivery of online transactions and reduce compliance costs, progress will be made towards integrating Western Australia's licence information into a national system.

Outcomes and Key Effectiveness Indicators ^(a)

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Outcome: Development of new and existing Small Business in Western Australia:					
A random sample of clients was asked to rate the usefulness of the information/guidance provided to them by the Small Business Development Corporation:					
- Very or somewhat useful.....	88%	90%	90%	90%	
- Not very or not at all useful.....	6%	0%	5%	0%	
- Neutral.....	6%	10%	5%	10%	

(a) Further detail in support of the key effectiveness indicators is provided in the agency's Annual Report.

Services and Key Efficiency Indicators**1: Information, Guidance, Referral and Business Development Services**

Provision of specialised information, referral, and business facilitation services for the effective development of enterprises in Western Australia.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 13,321	\$'000 13,308	\$'000 13,053	\$'000 13,273	
Less Income.....	515	445	445	553	1
Net Cost of Service ^(a)	12,806	12,863	12,608	12,720	
Employees (Full Time Equivalents)	57	58	59	59	
Efficiency Indicators ^(b)					
Average cost per direct client contact/equivalent ^(c)	\$23.97	\$23.79	\$21.16	\$21.59	
Average cost per indirect client contact ^(d)	\$2.20	\$2.31	\$2.34	\$2.22	
Average cost per Small Business Centre client contact ^(e)	\$95.01	\$116.51	\$94.60	\$94.07	
Cost per unit of policy advice ^(f)	\$1,384,579	\$1,492,056	\$1,467,421	\$1,406,857	

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

(b) Further detail regarding efficiency indicators is provided in the agency's Annual Report.

(c) The number of direct client contacts/equivalents comprises direct client contacts plus the number of equivalent direct clients. Direct client contacts have contacted the agency for guidance or information either by a personal visit, by telephone or have visited the agency website for greater than four minutes or a Business License Information Service website for greater than two minutes. Equivalent client contacts are serviced through the provision of grant money. Grants are provided under the Innovation to Markets Approval Program, the Business Migrant Incentive Program and the Export Accelerator Program.

(d) Indirect client contacts are exposed to a range of advisory, information, referral and business services impacting on growth and business development. These include attendees at Award functions, Expos or other forums, which SBDC has organised, has been the major sponsor of or where an SBDC representative has given an address on small business matters. This also includes agency website visits between two and four minutes.

(e) A network of 26 Small Business Centres operate throughout Western Australia.

(f) Policy advice comprises policy submissions, investigative research, ministerial correspondence, industry liaison and small business sector advocacy.

Explanation of Significant Movements

(Notes)

- The increase in estimated income for 2009-10 is mainly due to the introduction of the Business Migrant State Sponsorship application fee of \$300 per Provisional Business Visa and \$500 per Permanent Business Visa, from 1 July 2009 for business migrants seeking State sponsorship to relocate to Western Australia.

ASSET INVESTMENT PROGRAM

The Capital Works expenditure is primarily for the replacement of furniture and office equipment, including computer hardware and software, to support the delivery of the Corporation's services.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
COMPLETED WORKS							
Furniture and Office Equipment Replacement							
2006-07 Program	250	250	82	-	-	-	-
2007-08 Program	200	200	200	-	-	-	-
2008-09 Program	200	200	200	-	-	-	-
NEW WORKS							
Furniture and Office Equipment Replacement							
2009-10 Program	200	-	-	200	-	-	-
2010-11 Program	200	-	-	-	200	-	-
2011-12 Program	200	-	-	-	-	200	-
2012-13 Program	200	-	-	-	-	-	200
Total Cost of Asset Investment Program	1,450	650	482	200	200	200	200
FUNDED BY							
Capital Appropriation			34	84	78	84	84
Drawdowns from the Holding Account			116	116	122	116	116
Internal Funds and Balances			332	-	-	-	-

FINANCIAL STATEMENTS

Income Statement

Expenses

Supplies and Services expenditure is estimated to be \$2.4 million in 2009-10, representing an increase of 58.1 per cent from 2008-09 Estimated Actual, primarily due to the introduction of the BIZFit program and the redirection of funding for the Go West Now program to the continuation of the State Migration Centre program in 2009-10 and 2010-11.

Other Expenses is estimated to be \$1.2 million in 2009-10, representing a reduction of 52.9 per cent from 2008-09 Estimated Actual, due to the redirection of funding for the Go West Now program to the continuation of the State Migration Centre program in 2009-10 and 2010-11 and the impact of the media and marketing, advertising and consultants savings.

Income

Total income is estimated to be \$0.6 million for 2009-10. This represents an increase of \$0.1 million (24.3 per cent) compared to the 2008-09 Estimated Actual. The increase is mainly attributable to the introduction of the Business Migrant State Sponsorship application fee (\$300 per Provisional Business Visa and \$500 per Permanent Business Visa) from 1 July 2009 for business migrants seeking State sponsorship to relocate to Western Australia.

Balance Sheet

Total net assets position (total equity) is expected to decrease in 2009-10 by \$0.2 million (27.8 per cent) compared to the 2008-09 Estimated Actual. This reflects a projected decrease in total assets of \$0.2 million (11 per cent) over the period. The expected decrease in assets is attributable to:

- decreased cash assets (\$0.2 million); and
- cessation of prepayments for accommodation charges (\$0.1 million) with the current lease agreement due to expire in 2009-10.

INCOME STATEMENT ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(c)	4,886	5,157	5,412	6,006	6,192	6,330	6,458
Grants and subsidies ^(d)	3,165	3,029	2,991	3,034	3,270	3,137	3,190
Supplies and services	2,664	1,843	1,495	2,364	2,059	608	590
Accommodation	539	565	581	589	589	589	589
Depreciation and amortisation	194	116	116	122	116	116	116
Other expenses	1,873	2,598	2,458	1,158	1,172	432	439
TOTAL COST OF SERVICES	13,321	13,308	13,053	13,273	13,398	11,212	11,382
Income							
Sale of goods and services	142	165	285	423	348	348	348
Grants and subsidies	168	120	-	-	-	-	-
Other revenue	205	160	160	130	130	130	130
Total Income	515	445	445	553	478	478	478
NET COST OF SERVICES	12,806	12,863	12,608	12,720	12,920	10,734	10,904
INCOME FROM STATE GOVERNMENT							
Service appropriations	11,764	12,961	13,038	12,408	12,898	10,598	10,889
Liabilities assumed by the Treasurer ^(e)	1	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	11,765	12,961	13,038	12,408	12,898	10,598	10,889
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(1,041)	98	430	(312)	(22)	(136)	(15)
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	(1,041)	98	430	(312)	(22)	(136)	(15)

- (a) Full audited financial statements are published in the agency's Annual Report.
- (b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.
- (c) The Full Time Equivalents (FTEs) for 2007-08 Actual, 2008-09 Estimated Actual and 2009-10 Estimate are 57, 59 and 59 respectively.
- (d) Refer Details of Controlled Grants and Subsidies table below for further information.
- (e) Following a change in accounting policy, effective from 31 December 2008, notional superannuation will no longer be recognised in the financial statements.

Details of Controlled Grants and Subsidies

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Small Business Centres - operational grants	2,890	2,974	2,974	3,024	3,075	3,127	3,180
Small Business Centres - capital grants	185	-	-	-	185	-	-
Innovation to market	9	20	2	-	-	-	-
Business Migrant Incentive Program	12	20	5	-	-	-	-
Export Accelerator Program	13	15	10	10	10	10	10
Dry seasons assistance	56	-	-	-	-	-	-
TOTAL	3,165	3,029	2,991	3,034	3,270	3,137	3,190

BALANCE SHEET ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	183	500	540	293	256	125	125
Restricted cash	500	-	-	-	-	-	-
Holding account receivables	116	116	116	122	116	116	116
Receivables	369	210	336	336	336	336	336
Other	325	531	328	232	139	161	227
Total current assets	1,493	1,357	1,320	983	847	738	804
NON-CURRENT ASSETS							
Holding account receivables	100	115	115	124	139	154	169
Property, plant and equipment	610	1,144	823	899	981	1,061	1,145
Intangibles	24	35	17	19	21	25	25
Total non-current assets	734	1,294	955	1,042	1,141	1,240	1,339
TOTAL ASSETS	2,227	2,651	2,275	2,025	1,988	1,978	2,143
CURRENT LIABILITIES							
Employee provisions	925	904	927	934	938	950	950
Payables ^(a)	48	33	40	40	40	40	40
Other	452	265	197	165	63	88	184
Total current liabilities	1,425	1,202	1,164	1,139	1,041	1,078	1,174
NON-CURRENT LIABILITIES							
Employee provisions	274	222	279	282	287	292	292
Other	13	10	13	13	13	13	13
Total non-current liabilities	287	232	292	295	300	305	305
TOTAL LIABILITIES	1,712	1,434	1,456	1,434	1,341	1,383	1,479
EQUITY							
Contributed equity	1,387	1,521	1,421	1,505	1,583	1,667	1,751
Accumulated surplus/(deficit)	(872)	(304)	(602)	(914)	(936)	(1,072)	(1,087)
Total equity	515	1,217	819	591	647	595	664
TOTAL LIABILITIES AND EQUITY	2,227	2,651	2,275	2,025	1,988	1,978	2,143

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CASHFLOW STATEMENT ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	11,633	12,830	12,907	12,277	12,767	10,467	10,758
Capital appropriation	128	134	34	84	78	84	84
Holding account drawdowns	122	116	116	116	122	116	116
Net cash provided by State Government.....	11,883	13,080	13,057	12,477	12,967	10,667	10,958
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(4,742)	(5,040)	(5,483)	(5,973)	(6,258)	(6,293)	(6,456)
Grants and subsidies	(3,163)	(3,029)	(2,991)	(3,034)	(3,270)	(3,137)	(3,190)
Supplies and services	(2,675)	(1,939)	(1,746)	(2,372)	(1,992)	(624)	(561)
Accommodation.....	(546)	(533)	(549)	(539)	(589)	(589)	(589)
Other payments	(2,611)	(3,214)	(3,074)	(1,839)	(1,853)	(1,113)	(1,120)
Receipts							
Grants and subsidies	166	120	-	-	-	-	-
Sale of goods and services	140	165	285	423	348	348	348
GST receipts.....	762	680	680	680	680	680	680
Other receipts	186	160	160	130	130	130	130
Net cash from operating activities.....	(12,483)	(12,630)	(12,718)	(12,524)	(12,804)	(10,598)	(10,758)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(425)	(250)	(482)	(200)	(200)	(200)	(200)
Proceeds from sale of non-current assets	6	-	-	-	-	-	-
Net cash from investing activities.....	(419)	(250)	(482)	(200)	(200)	(200)	(200)
CASHFLOWS FROM FINANCING ACTIVITIES							
Net cash from financing activities.....	-	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	(1,019)	200	(143)	(247)	(37)	(131)	-
Cash assets at the beginning of the reporting period	1,702	300	683	540	293	256	125
Cash assets at the end of the reporting period.....	683	500	540	293	256	125	125

(a) Full audited financial statements are published in the agency's Annual Report.

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**RECONCILIATION RELATING TO MAJOR FUNCTIONAL TRANSFERS
AND ACCOUNTING POLICY CHANGES**

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement.....	13,321	13,308	13,053	13,273	13,398	11,212	11,382
Adjustment for Notional Superannuation.....	(1)	-	-	-	-	-	-
Adjusted Total Cost of Services	13,320	13,308	13,053	13,273	13,398	11,212	11,382

REGISTRAR, WESTERN AUSTRALIAN INDUSTRIAL RELATIONS COMMISSION

PART 8 - TREASURER; MINISTER FOR COMMERCE; SCIENCE AND INNOVATION; HOUSING AND WORKS

DIVISION 42

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 72 Net amount appropriated to deliver services	6,837	8,563	8,496	8,440	8,710	8,999	8,899
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	2,085	2,177	2,203	2,268	2,334	2,403	2,475
Total appropriations provided to deliver services	8,922	10,740	10,699	10,708	11,044	11,402	11,374
TOTAL APPROPRIATIONS	8,922	10,740	10,699	10,708	11,044	11,402	11,374
EXPENSES							
Total Cost of Services	9,963	10,716	11,016	10,726	11,041	11,542	11,873
Net Cost of Services ^(a)	9,875	10,636	10,481	10,646	10,961	11,462	11,793
CASH ASSETS ^(b)	2,166	1,077	2,451	2,548	2,634	2,507	2,131

(a) Represents total cost of services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.

(b) As at 30 June each financial year.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2008-09 Budget to Parliament on 8 May 2008 are outlined below.

	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Election Commitments					
Media and Marketing, Advertising and Consultants Savings	(2)	(4)	(4)	(4)	(4)
3% Efficiency Dividend					
Reduction in Staffing and Administrative Related Costs	(155)	(320)	(329)	(349)	(351)
Total Savings	(155)	(320)	(329)	(349)	(351)

RESOURCE AGREEMENT

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Minister, Accountable Authority and Treasurer under Part 3, Division 5 of the *Financial Management Act 2006*.

OUTCOMES, SERVICES AND KEY PERFORMANCE INFORMATION

Relationship to Government Goals

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the agency's services and desired outcomes, and the government goal it contributes to. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Goal	Desired Outcome	Services
Financial and Economic Responsibility: Responsibly managing the State's finances through the efficient and effective delivery of services, encouraging economic activity and reducing regulatory burdens on the private sector.	The prevention and resolution of industrial relations matters.	1. Support to the Western Australian Industrial Relations Commission and Industrial Magistrates Court 2. Conciliation and Arbitration by the Western Australian Industrial Relations Commission

Service Summary

Expense	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
1. Support to the Western Australian Industrial Relations Commission and Industrial Magistrates Court	4,659	5,351	5,102	5,237	5,300	5,540	5,699
2. Conciliation and Arbitration by the Western Australian Industrial Relations Commission .	5,304	5,365	5,914	5,489	5,741	6,002	6,174
Total Cost of Services	9,963	10,716	11,016	10,726	11,041	11,542	11,873

Significant Issues Impacting the Agency

- The *Employment Disputes Resolution Act 2008* is likely to increase workload although it is difficult to estimate the impact as promotion of the legislation has only recently commenced.

Outcomes and Key Effectiveness Indicators ^(a)

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Outcome: The prevention and resolution of industrial relations matters:					
Percentage of employee, employers, representatives and Commission members satisfied with the service provided by the Department of the Registrar in relation to:					
Timeliness	85%	94%	88%	94%	
Accuracy and relevance of information.....	87%	92%	90%	92%	

(a) Further detail in support of the key effectiveness indicators is provided in the agency's Annual Report.

Services and Key Efficiency Indicators**1: Support to the Western Australian Industrial Relations Commission and Industrial Magistrates Court**

To provide effective and efficient support to the Commission, allowing that tribunal to provide the community with an efficient means of preventing or resolving industrial relations matters. This output includes the provision of services and support to the Industrial Magistrates Court.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 4,659	\$'000 5,351	\$'000 5,102	\$'000 5,237	
Less Income.....	88	80	535	80	1
Net Cost of Service ^(a)	4,571	5,271	4,567	5,157	
Employees (Full Time Equivalents)	38	37	37	37	
Efficiency Indicators					
Average cost per application registered and recorded	\$5,343	\$5,405	\$6,541	\$6,465	

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

Explanation of Significant Movements

(Notes)

1. Estimated Actual Income for 2008-09 includes \$0.46 million which is a recoup of funding transferred to the Department of the Attorney General as legislation to restructure the Commission did not proceed.

2: Conciliation and Arbitration by the Western Australian Industrial Relations Commission

This output relates to the activities of the Commission. The Commission provides processes for dealing with the prevention and resolution of conflict in respect of industrial matters. The Commission relies on the Department of the Registrar to manage its financial affairs but is not subject to any form of operational control by the Department of the Registrar and acts independently.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 5,304	\$'000 5,365	\$'000 5,914	\$'000 5,489	1
Less Income.....	-	-	-	-	
Net Cost of Service ^(a)	5,304	5,365	5,914	5,489	

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

Explanation of Significant Movements

(Notes)

1. Estimated Actual Expenditure for 2008-09 includes \$0.46 million which relates to funding that was transferred to the Department of the Attorney General. These costs have been recouped and are reflected as Income under Service One.

ASSET INVESTMENT PROGRAM

The 2012-13 Forward Estimates for the asset investment program will be assessed once a review of the State industrial relations system is completed.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
COMPLETED WORKS							
Asset Replacement - Information Technology 2008-09 Program	180	180	180	-	-	-	-
NEW WORKS							
Asset Replacement - Information Technology 2009-10 Program	180	-	-	180	-	-	-
2010-11 Program	250	-	-	-	250	-	-
2011-12 Program	160	-	-	-	-	160	-
Total Cost of Asset Investment Program	770	180	180	180	250	160	-
FUNDED BY							
Drawdowns from the Holding Account			180	180	250	160	-
Internal Funds and Balances			-	-	-	-	-

FINANCIAL STATEMENTS

INCOME STATEMENT ^(a)
(Controlled)

	2007-08 Actual	2008-09 Budget ^(b)	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(c)	6,017	6,208	6,565	6,552	6,798	7,094	7,489
Supplies and services	879	1,058	962	891	938	938	913
Accommodation	2,470	2,540	2,617	2,633	2,631	2,805	2,807
Depreciation and amortisation	255	360	360	150	170	200	183
Other expenses	342	550	512	500	504	505	481
TOTAL COST OF SERVICES	9,963	10,716	11,016	10,726	11,041	11,542	11,873
Income							
Sale of goods and services	88	80	80	80	80	80	80
Other revenue ^(d)	-	-	455	-	-	-	-
Total Income	88	80	535	80	80	80	80
NET COST OF SERVICES	9,875	10,636	10,481	10,646	10,961	11,462	11,793
INCOME FROM STATE GOVERNMENT							
Service appropriations	8,922	10,740	10,699	10,708	11,044	11,402	11,374
Resources received free of charge	46	15	50	50	50	50	50
TOTAL INCOME FROM STATE GOVERNMENT	8,968	10,755	10,749	10,758	11,094	11,452	11,424
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(907)	119	268	112	133	(10)	(369)
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	(907)	119	268	112	133	(10)	(369)

(a) Full audited financial statements are published in the Annual Report.

(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

(c) The Full Time Equivalents (FTEs) for 2007-08 Actual, 2008-09 Estimated Actual and 2009-10 Estimate are 58, 57 and 57 respectively.

(d) A transfer of funding to the Department of the Attorney General occurred in 2008-09, in anticipation of a restructure of the Commission as outlined in the Industrial Relations Amendment Bill 2008. The funding transferred was \$0.46 million for 2008-09; \$0.65 million for 2009-10; \$0.65 million for 2010-11; and \$0.65 million for 2011-12. Other Revenue of \$0.46 million represents the recoup of funding for 2008-09 as this legislation did not proceed.

BALANCE SHEET ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	2,091	987	2,356	2,433	2,499	2,352	1,956
Holding account receivables	180	180	180	180	250	160	160
Receivables	58	207	58	58	58	58	58
Other	89	161	89	89	89	89	89
Total current assets	2,418	1,535	2,683	2,760	2,896	2,659	2,263
NON-CURRENT ASSETS							
Holding account receivables	851	1,031	1,031	1,001	851	981	1,087
Property, plant and equipment	164	209	153	213	283	260	86
Intangibles	112	39	22	7	-	-	-
Restricted cash	75	90	95	115	135	155	175
Other	103	75	24	9	26	9	-
Total non-current assets	1,305	1,444	1,325	1,345	1,295	1,405	1,348
TOTAL ASSETS	3,723	2,979	4,008	4,105	4,191	4,064	3,611
CURRENT LIABILITIES							
Employee provisions	1,636	1,483	1,636	1,636	1,636	1,636	1,636
Payables	307	280	304	269	202	65	79
Other	80	102	100	120	140	160	62
Total current liabilities	2,023	1,865	2,040	2,025	1,978	1,861	1,777
NON-CURRENT LIABILITIES							
Employee provisions	289	350	289	289	289	289	289
Other	3	3	3	3	3	3	3
Total non-current liabilities	292	353	292	292	292	292	292
TOTAL LIABILITIES	2,315	2,218	2,332	2,317	2,270	2,153	2,069
EQUITY							
Contributed equity	495	495	495	495	495	495	495
Accumulated surplus/(deficit)	898	251	1,166	1,278	1,411	1,401	1,032
Reserves	15	15	15	15	15	15	15
Total equity	1,408	761	1,676	1,788	1,921	1,911	1,542
TOTAL LIABILITIES AND EQUITY	3,723	2,979	4,008	4,105	4,191	4,064	3,611

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(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

CASHFLOW STATEMENT ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	8,592	10,380	10,339	10,558	10,874	11,202	11,178
Holding account drawdowns	180	180	180	180	250	160	-
Net cash provided by State Government.....	8,772	10,560	10,519	10,738	11,124	11,362	11,178
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(6,114)	(6,189)	(6,546)	(6,603)	(6,854)	(7,155)	(7,538)
Supplies and services	(786)	(959)	(918)	(859)	(904)	(887)	(783)
Accommodation.....	(2,274)	(2,536)	(2,543)	(2,557)	(2,553)	(2,729)	(2,729)
Other payments	(703)	(954)	(896)	(836)	(871)	(952)	(898)
Receipts							
Sale of goods and services	231	80	80	80	80	80	80
GST receipts.....	385	314	314	314	314	314	314
Other receipts ^(c)	-	-	455	-	-	-	-
Net cash from operating activities.....	(9,261)	(10,244)	(10,054)	(10,461)	(10,788)	(11,329)	(11,554)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(253)	(180)	(180)	(180)	(250)	(160)	-
Net cash from investing activities.....	(253)	(180)	(180)	(180)	(250)	(160)	-
NET INCREASE/(DECREASE) IN CASH HELD	(742)	136	285	97	86	(127)	(376)
Cash assets at the beginning of the reporting period.....	2,908	941	2,166	2,451	2,548	2,634	2,507
Cash assets at the end of the reporting period.....	2,166	1,077	2,451	2,548	2,634	2,507	2,131

(a) Full audited financial statements are published in the Annual Report.

(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

(c) The Estimated Actual Other Receipts for 2008-09 of \$0.46 million represents a recoup of funding from the Department of the Attorney General as legislation to restructure the Commission did not proceed.

NET APPROPRIATION DETERMINATION

A determination by the Treasurer, pursuant to Section 23 of the *Financial Management Act 2006*, provides for the retention of the following cash receipts by the agency:

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000
GST Input Credits.....	367	311	311	311
GST Receipts on Sales.....	18	3	3	3
Service Charges, Transcript and Award Sales and Other Receipts	231	80	80	80
TOTAL.....	616	394	394	394

The moneys received and retained are to be applied to the agency's services as specified in the Budget Statements.

WORKCOVER WA AUTHORITY

ASSET INVESTMENT PROGRAM

WorkCover WA's total approved asset investment program for 2009-10 is \$2.2 million. The approved projects planned or underway include:

- Building Refurbishment - improvements and reconfiguration to the existing facility in Shenton Park to maximise available space for workstations and to upgrade security systems;
- Computer Hardware and Software - the Authority is undertaking a review of all information and technology systems across the organisation with the view of upgrading or replacing IT hardware and software requirements; and
- Other Equipment - ongoing asset investment program incorporates upgrades and replacement of fleet and other office equipment.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
WORKS IN PROGRESS							
Computer Hardware and Software	2,992	765	765	1,852	205	5	165
Other Equipment	275	40	40	100	40	55	40
COMPLETED WORKS							
Air Conditioning Replacement Program	-	1,161	1,161	-	-	-	-
NEW WORKS							
Building Refurbishment Upgrades Office Accommodation	280	-	-	220	20	20	20
Total Cost of Asset Investment Program	3,547	1,966	1,966	2,172	265	80	225
FUNDED BY							
Internal Funds and Balances	██████████	██████████	1,966	2,172	265	80	225

HOUSING AUTHORITY

PART 8 - TREASURER; MINISTER FOR COMMERCE; SCIENCE AND INNOVATION; HOUSING AND WORKS

DIVISION 43

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 73 Net amount appropriated to deliver services^(a)	81,184	133,252	212,622	137,551	69,546	38,021	25,681
Total appropriations provided to deliver services	81,184	133,252	212,622	137,551	69,546	38,021	25,681
CAPITAL							
Item 151 Capital Appropriation^(b)	108,825	110,860	147,510	542,603	187,939	31,200	-
TOTAL APPROPRIATIONS	190,009	244,112	360,132	680,154	257,485	69,221	25,681
EXPENSES							
Total Cost of Services.....	797,043	994,943	1,077,126	1,130,679	1,037,385	1,008,200	1,056,189
Net Cost of Services ^(c)	(7,769)	20,033	249,592	228,663	74,719	10,810	(14,799)
CASH ASSETS^(d)	40,920	88,499	54,979	46,898	42,304	35,057	33,170

- (a) 2008-09 Estimated Actual and 2009-10 Budget Estimate include the \$20.2 million Commonwealth Stimulus package - Recurrent Funding.
- (b) 2008-09 Estimated Actual through to 2011-12 Forward Estimate includes the \$609.7 million overall total for Commonwealth - Stimulus - Social Housing - Capital.
- (c) Represents total cost of services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (d) As at 30 June each financial year.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2008-09 Budget to Parliament on 8 May 2008 are outlined below.

	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Election Commitments					
Media and Marketing, Consultants and Advertising Savings.....	(115)	(230)	(230)	(230)	(230)
Royalties for Regions Initiatives					
Regional Workers Incentives.....	-	4,670	19,970	20,260	22,500
3% Efficiency Dividend					
Reduction in Administration Expenses	(1,999)	(2,444)	(2,252)	(467)	(230)
Amalgamation of Programs and Functions	-	(1,000)	(550)	(250)	(250)
Total Savings	(1,999)	(3,444)	(2,802)	(717)	(480)

	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Other					
National Rental Affordability Scheme	783	2,407	5,670	11,893	-
Reallocation from recurrent spending to Capital for State Stimulus Package.....	-	-	(30,000)	-	-

RESOURCE AGREEMENT

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Minister, Accountable Authority and Treasurer under Part 3, Division 5 of the *Financial Management Act 2006*.

OUTCOMES, SERVICES AND KEY PERFORMANCE INFORMATION

Relationship to Government Goals

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the agency's services and desired outcomes, and the government goal it contributes to. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Goals	Desired Outcome	Services
Outcomes-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	Housing eligible Western Australians.	1. Rental Housing
		2. Home Loans
		3. Land
Stronger Focus on the Regions: Greater focus on service delivery, infrastructure investment and economic development to improve the overall quality of life in remote and regional areas.		4. Government Regional Officers Housing (GROH)

Service Summary

Expense	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
1. Rental Housing	488,738	624,679	668,348	701,143	637,768	614,309	644,136
2. Home Loans	93,476	119,476	127,829	134,101	121,980	117,493	123,198
3. Land	119,132	152,268	162,913	170,907	155,459	149,740	157,011
4. Government Regional Officers' Housing	95,697	98,520	118,036	124,528	122,178	126,658	131,844
Total Cost of Services	797,043	994,943	1,077,126	1,130,679	1,037,385	1,008,200	1,056,189

Significant Issues Impacting the Agency

- The waiting list for public housing continues to grow. Reduced housing affordability, the lack of private rental accommodation, high rents in the private market and reduced vacancy rates are all major contributing factors.

- To boost public housing and reduce growing pressure on the social housing system, \$316 million of State funds have been committed and will be made available immediately to fund construction of 1,009 new dwellings. \$116 million is for 609 new social housing dwellings across the State. The remaining \$200 million (\$20 million in 2008-09 and \$180 million in 2009-10), will be drawn from the Royalties for Regions fund to provide 400 new houses for essential Government officers in rural and remote areas.
- The community housing sector, in partnership with the Housing Authority, will continue to play an increasing role in the delivery and growth of social housing stock and services. As a result, in 2009-10 a minimum of 1,000 properties will be transferred to community housing providers to build the capacity of the sector.
- The Social Housing Taskforce, which involves leading thinkers across the private, community and Government sectors, will report to the Government by the end of June 2009. Its findings will play a critical role in redefining the Western Australian approach to social and affordable housing over the next decade.
- As part of a national commitment to support economic growth and jobs during the global downturn, the Federal Government's Nation Building and Jobs Economic Stimulus Plan will deliver \$606 million in funding over four years to Western Australia, with a total of \$328 million expected in 2009-10. \$40.5 million has also been approved for refurbishment of another 447 dwellings across the State by 30 June 2010. Approximately half of this funding will be spent in regional areas.
- A milestone National Partnership Agreement on Remote Indigenous Housing was signed with the Federal Government to specifically improve the living conditions of people in remote communities. This agreement provides \$496 million over five years to upgrade existing housing and undertake new construction. \$105 million will be available in 2009-10.
- Additional agreements have been signed for Social Housing and Homelessness. These will see Federal and State resources combined to increase the supply of social housing, with a particular focus on providing secure long-term accommodation for people who are homeless or at-risk of homelessness. The A Place to Call Home initiative aims to halve the number of homeless people turned away from shelters each year and improve their reintegration into the broader community.
- In 2009-10, a number of new procurement initiatives and innovations within the Authority will be progressed, all aimed at removing bureaucracy and cost from the housing construction process and encourage a greater level of commercial innovation.

Outcomes and Key Effectiveness Indicators ^(a)

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Outcome: Housing eligible Western Australians:					
The extent to which the Housing Authority is responsive to the housing needs of eligible Western Australians (total housing assistances relative to the public rental waiting list)	1.06	1.06	1.06	0.72	1
Waiting times for accommodation - applicants housed	83 weeks	83 weeks	83 weeks	93 weeks	2
The extent to which the Government Regional Officers' Housing is responsive to the provision of housing to meet the needs of eligible Western Australian Government employees (total demand relative to current supply)	93%	95%	95%	95%	

(a) Further detail in support of the key effectiveness indicators is provided in the agency's Annual Report.

Explanation of Significant Movements

(Notes)

1. The downward revision of the target ratio is due to the significant growth in the waiting list, which in turn, has been impacted by adverse economic conditions.
2. The predicted increase in the average waiting time target is based on continuing adverse economic conditions.

Services and Key Efficiency Indicators

1: Rental Housing

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service ^(a)	488,738	624,679	668,348	701,143	
Less Income.....	465,386	606,670	488,335	539,677	
Net Cost of Service ^(a)	(23,352)	18,009	180,013	161,466	
Efficiency Indicators					
Operating Cost per Rental Property	\$9,853	\$11,141	\$11,365	\$11,149	

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

2: Home Loans

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service ^(a)	93,476	119,476	127,829	134,101	
Less Income.....	104,537	116,032	93,399	103,219	
Net Cost of Service ^(a)	(11,061)	3,444	34,430	30,882	
Efficiency Indicators					
Operating Cost per Current Loan Account.....	\$1,476	\$1,800	\$1,881	\$1,696	1

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

Explanation of Significant Movements

(Notes)

- The reduction reflects an increase in active loans due to a significant increase in new lending and a significant decrease in discharges. This has resulted from other lenders tightening their lending criteria and borrowers turning to Keystart.

3: Land

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service ^(a)	119,132	152,268	162,913	170,907	
Less Income.....	133,229	147,878	119,034	131,549	
Net Cost of Service ^(a)	(14,097)	4,390	43,879	39,358	
Efficiency Indicators					
Operating Cost per Lot Developed.....	\$8,744	\$7,408	\$13,582	\$12,235	1

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

Explanation of Significant Movements

(Notes)

- The reduction reflects an increase in the estimated volume of lots developed in response to anticipated higher demand for land in the lower end of the market.

4: Government Regional Officers' Housing

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 95,697	\$'000 98,520	\$'000 118,036	\$'000 124,528	
Less Income	101,660	104,330	126,766	127,571	
Net Cost of Service ^(a)	(5,963)	(5,810)	(8,730)	(3,043)	
Efficiency Indicators					
Operating Cost per Property	\$19,702	\$20,957	\$23,769	\$23,806	

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

ASSET INVESTMENT PROGRAM

The Housing Authority's Capital Works program for 2009-10 is approximately \$1 billion and includes significant construction along with spot purchase of dwellings and land development for affordable housing. Significant programs in 2009-10 include:

- State funds committed to fund construction of 1,009 new dwellings with nearly half in regional Western Australia.
- Commencement of the Federal Government's Nation Building and Jobs Economic Stimulus Plan which is expected to provide \$606 million over four years for the construction of 2,000 new dwellings. 75 per cent are to be completed by December 2010.
- Development of 2,158 affordable housing lots including 1,465 lots developed with joint venture partners.
- Strategic acquisition of land to meet immediate and future social housing requirements and to provide affordable housing opportunities for the broader community.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
COMPLETED WORKS							
Community Housing - 2008-09 Program	5,832	5,832	5,832	-	-	-	-
Computer Hardware and Software - 2008-09 Program	5,478	5,478	5,478	-	-	-	-
Construction and Purchase of Houses - 2008-09 Program	145,427	145,427	145,427	-	-	-	-
A Place to Call Home – Commonwealth Election Commitment - Homelessness Capital – 2008-09	-	3,383	3,383	-	-	-	-
Commonwealth Stimulus Package for Social Housing 2008-09	-	6,073	6,073	-	-	-	-
Crisis Accommodation - 2008-09 Program	8,473	8,473	8,473	-	-	-	-
Construction and Purchase of Regional Officers Housing 2008-09 Program	7,140	7,140	7,140	-	-	-	-
2008-09 Replacement Program (Borrowings)	70,964	70,964	70,964	-	-	-	-
Royalties for Regions Election Commitment - Housing for Workers – 2008-09 Program ^(a)	20,000	20,000	20,000	-	-	-	-
Estate Improvement Land Redevelopment 2008-09 Program	32,037	32,037	32,037	-	-	-	-
First Start Scheme - Shared Equity	354,954	354,954	246,500	-	-	-	-

	Estimated Total Cost	Estimated Expenditure to 30-6-09	2008-09 Estimated Expenditure	2009-10 Estimated Expenditure	2010-11 Forward Estimate	2011-12 Forward Estimate	2012-13 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Land Acquisition - 2008-09 Program	27,891	27,891	27,891	-	-	-	-
Land Acquisition (GROH) - 2008-09.....	11,034	11,034	11,034	-	-	-	-
Development - 2008-09 Program.....	80,738	80,738	80,738	-	-	-	-
Holding Costs - 2008-09 Program.....	464	464	464	-	-	-	-
Redevelopment - 2008-09 Program.....	372	372	372	-	-	-	-
Minor Works - 2008-09 Program.....	2,000	2,000	2,000	-	-	-	-
Offices and Shops - 2008-09 Program.....	2,000	2,000	2,000	-	-	-	-
Other - 2008-09 Program.....	310	310	310	-	-	-	-
NEW WORKS							
Community Housing							
2009-10 Program.....	4,616	-	-	4,616	-	-	-
2010-11 Program.....	4,966	-	-	-	4,966	-	-
2011-12 Program.....	4,966	-	-	-	-	4,966	-
2012-13 Program.....	4,966	-	-	-	-	-	4,966
Disability Services Policy Capital Works - Election							
Commitment - 2009-10 Program.....	4,500	-	-	4,500	-	-	-
Computer Hardware and Software							
2009-10 Program.....	5,102	-	-	5,102	-	-	-
2010-11 Program.....	5,237	-	-	-	5,237	-	-
2011-12 Program.....	5,334	-	-	-	-	5,334	-
2012-13 Program.....	5,432	-	-	-	-	-	5,432
Construction and Purchase of Houses							
2009-10 Program.....	154,945	-	-	154,945	-	-	-
2010-11 Program.....	43,608	-	-	-	43,608	-	-
2011-12 Program.....	110,627	-	-	-	-	110,627	-
2012-13 Program.....	114,557	-	-	-	-	-	114,557
A Place to Call Home - Commonwealth Election							
Commitment - Homelessness Capital – 2009-10.....	10,699	-	-	10,699	-	-	-
A Place to Call Home - Commonwealth Election							
Commitment - Homelessness Capital – 2010-11.....	8,945	-	-	-	8,945	-	-
A Place to Call Home - Commonwealth Election							
Commitment - Homelessness Capital – 2011-12.....	2,806	-	-	-	-	2,806	-
A Place to Call Home - Commonwealth Election							
Commitment - Homelessness Capital – 2012-13.....	5,856	-	-	-	-	-	5,856
Commonwealth Stimulus package for Social							
Housing - 2009-10.....	387,000	-	-	387,000	-	-	-
Commonwealth Stimulus package for Social							
Housing – 2010-11.....	181,800	-	-	-	181,800	-	-
Commonwealth Stimulus package for Social							
Housing – 2011-12.....	31,200	-	-	-	-	31,200	-
Crisis Accommodation							
2009-10 Program.....	4,272	-	-	4,272	-	-	-
2010-11 Program.....	4,272	-	-	-	4,272	-	-
2011-12 Program.....	4,272	-	-	-	-	4,272	-
2012-13 Program.....	4,272	-	-	-	-	-	4,272
Construction and Purchase of Regional Officers Housing							
2009-10 Program.....	37,488	-	-	37,488	-	-	-
2010-11 Program.....	9,268	-	-	-	9,268	-	-
2011-12 Program.....	8,349	-	-	-	-	8,349	-
2012-13 Program.....	6,523	-	-	-	-	-	6,523
Royalties for regions election commitment - Housing for							
Workers - 2009-10 Program ^(a)	180,000	-	-	180,000	-	-	-
Royalties for regions election commitment - Housing for							
Workers – 2010-11 Program ^(a)	125,000	-	-	-	125,000	-	-
Royalties for regions election commitment - Housing for							
Workers - 2011-12 Program ^(a)	115,213	-	-	-	-	115,213	-
Royalties for regions election commitment - Housing for							
Workers - 2012-13 Program ^(a)	169,500	-	-	-	-	-	169,500
Estate Improvement Land Redevelopment							
2009-10 Program.....	30,750	-	-	30,750	-	-	-
2010-11 Program.....	21,370	-	-	-	21,370	-	-
2011-12 Program.....	4,575	-	-	-	-	4,575	-
2012-13 Program.....	18,083	-	-	-	-	-	18,083

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Land Acquisition							
2009-10 Program	45,000	-	-	45,000	-	-	-
2010-11 Program	85,000	-	-	-	85,000	-	-
2011-12 Program	75,000	-	-	-	-	75,000	-
2012-13 Program	65,000	-	-	-	-	-	65,000
Land Acquisition (GROH) – 2009-10	512	-	-	512	-	-	-
Development							
2009-10 Program	99,963	-	-	99,963	-	-	-
2010-11 Program	109,657	-	-	-	109,657	-	-
2011-12 Program	107,008	-	-	-	-	107,008	-
2012-13 Program	132,987	-	-	-	-	-	132,987
Holding Costs							
2009-10 Program	260	-	-	260	-	-	-
2010-11 Program	272	-	-	-	272	-	-
2011-12 Program	284	-	-	-	-	284	-
2012-13 Program	297	-	-	-	-	-	297
Redevelopment							
2009-10 Program	606	-	-	606	-	-	-
2010-11 Program	621	-	-	-	621	-	-
2011-12 Program	636	-	-	-	-	636	-
2012-13 Program	602	-	-	-	-	-	602
Minor Works							
2009-10 Program	2,050	-	-	2,050	-	-	-
2010-11 Program	2,101	-	-	-	2,101	-	-
2011-12 Program	2,154	-	-	-	-	2,154	-
2012-13 Program	2,208	-	-	-	-	-	2,208
Offices and Shops							
2009-10 Program	1,000	-	-	1,000	-	-	-
2010-11 Program	1,000	-	-	-	1,000	-	-
2011-12 Program	1,000	-	-	-	-	1,000	-
2012-13 Program	1,000	-	-	-	-	-	1,000
Other							
2009-10 Program	300	-	-	300	-	-	-
2010-11 Program	308	-	-	-	308	-	-
2011-12 Program	316	-	-	-	-	316	-
2012-13 Program	324	-	-	-	-	-	324
Total Cost of Asset Investment Program	3,352,949	784,570	676,116	969,063	603,425	473,740	531,607
FUNDED BY							
Capital Appropriation			147,510	542,603	187,939	31,200	-
Asset Sales			232,463	321,394	412,932	426,309	449,880
Borrowings			324,700	37,000	-	-	10,000
Commonwealth Grants			89,925	87,314	88,576	89,681	93,850
Internal Funds and Balances			(290,335)	(296,259)	(274,579)	(229,920)	(222,901)
Other			151,853	97,011	63,557	41,257	31,278
Drawdowns from Royalties for Regions Fund ^(b)			20,000	180,000	125,000	115,213	169,500

(a) Capital works funded from the Royalties for Regions Fund.

(b) Regional Infrastructure and Headworks Fund.

FINANCIAL STATEMENTS**Income Statement***Expenses*

The Income Statement shows an estimated increase in the Total Cost of Services of \$53.5 million (4.9 per cent) for 2009-10 compared to the 2008-09 Estimated Actual. The increase is mainly due to the cost of land sold forecast to increase by \$43.2 million in comparison to 2008-09. This is attributable to a forecast increase in land sales which has a commensurate effect on the cost of these sales.

Income

Total Income is forecast to increase by \$74.5 million (9 per cent) in comparison to the 2008-09 Estimated Actual. Major factors contributing to the increase are:

- Sale of Goods and Services, revenue from this source is forecast to increase by \$64.3 million. The forecast is based on an expected escalation in buyer activity from homebuyers as a result of the availability of affordable land stock coupled with historically low interest rates and vendor and builder incentives.
- Developers Contributions for construction projects are forecast to increase to \$5.6 million from 2008-09 as funding to build the capacity of the Community Housing sector to house and create more social housing opportunities has increased.
- Income from the State Government has decreased \$70.4 million in comparison to 2008-09. This is primarily the result of an additional \$60 million boost being provided for the Authority in 2008-09 as a result of a significant decline in revenue from land sales.

Balance Sheet

The Authority's total net assets are expected to increase by \$962 million (7.8 per cent) compared to the 2008-09 Estimated Actual. The movement is mainly attributable to an increase in the value of property, plant and equipment due to the revaluation of rental properties and contributed equity from the Commonwealth as part of its economic stimulus package in addition to State Government equity contributions for construction purposes.

The expected increase in net assets is the result of:

- Increased in funding for 2009-10 in the form of contributed equity, includes \$387 million from the Federal Government's economic stimulus package and \$180 million from Royalties for Regions funding for government employee housing in remote and regional areas.
- Non-current assets are forecast to increase by \$1.0 billion in 2009-10 in comparison to the Estimated Actual 2008-09 mainly due to the revaluation of rental properties.

Cashflow Statement

The 2009-10 closing cash at bank balance of \$46.9 million is a decrease of \$8.1 million in comparison to the 2008-09 Estimated Actual of \$55 million.

There has been an increase in the purchase of non-current assets through increased construction activity as a result of the extra economic stimulus package and State Government capital appropriations to the Authority.

The significant increase in borrowings in 2008-09 is due to increased activity in Keystart loans, as other lenders have tightened their lending criteria and borrowers have turned to Keystart.

INCOME STATEMENT ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits.....	61,254	77,912	77,988	78,878	81,891	84,950	88,100
Grants and subsidies ^(c)	139,795	202,545	260,605	272,126	183,093	139,779	157,260
Supplies and services.....	53,035	78,615	69,186	69,985	69,926	74,071	78,507
Accommodation.....	103,526	94,287	130,923	128,480	111,844	114,669	117,944
Depreciation and amortisation.....	83,725	84,059	97,439	98,145	98,415	98,614	98,806
Finance costs.....	148,249	151,972	169,120	176,325	176,959	174,373	171,154
Cost land sold.....	115,627	180,172	120,801	164,000	161,167	165,461	181,214
Other expenses.....	91,832	125,381	151,063	142,740	154,090	156,283	163,204
TOTAL COST OF SERVICES.....	797,043	994,943	1,077,125	1,130,679	1,037,385	1,008,200	1,056,189
Income							
Sale of goods and services.....	243,067	395,294	186,708	251,038	310,533	341,453	363,184
Grants and subsidies.....	155,677	160,027	207,283	214,455	192,035	210,092	244,705
Interest revenue.....	92,710	90,791	104,577	99,408	101,531	102,816	103,307
Rent.....	257,647	267,884	293,547	298,098	302,502	309,246	319,303
Developers contribution.....	2,790	16,100	10,500	16,100	21,100	1,100	1,100
Public corporations – statutory contribution....	20,085	22,568	-	-	20,389	26,700	32,172
Other revenue.....	32,836	22,246	24,919	22,917	14,576	5,983	7,217
Total Income.....	804,812	974,910	827,534	902,016	962,666	997,390	1,070,988
NET COST OF SERVICES.....	(7,769)	20,033	249,591	228,663	74,719	10,810	(14,799)
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	81,184	133,252	212,622	137,551	69,546	38,021	25,681
Royalties for Regions Fund.....	-	-	-	4,670	19,970	20,260	22,500
TOTAL INCOME FROM STATE GOVERNMENT.....	81,184	133,252	212,622	142,221	89,516	58,281	48,181
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	88,953	113,219	(36,969)	(86,442)	14,797	47,471	62,980
Extraordinary items.....	85,798	-	-	-	-	-	-
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS.....	174,751	113,219	(36,969)	(86,442)	14,797	47,471	62,980

(a) Full audited financial statements are published in the agency's Annual Report.

(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

(c) Refer Details of Controlled Grants and Subsidies table below for further information.

Details of Controlled Grants and Subsidies

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Community Housing.....	44,215	75,000	61,523	89,816	48,000	-	-
Community Maintenance and Infrastructure Works	40,219	40,032	32,115	26,792	28,252	24,642	24,605
Community Support Schemes	2,702	2,844	5,679	6,825	8,495	14,711	2,813
Fitzroy Crossing Swimming Pool - Construction and Ongoing Management.....	-	4,450	4,194	4,000	1,000	328	330
Indigenous Community Construction.....	25,368	27,359	24,489	27,940	26,820	19,545	19,900
National Partnership Payments on Remote Indigenous Housing and Infrastructure	-	-	81,726	68,483	44,483	61,156	91,318
Operational Housing and Management Support	10,471	18,003	7,924	9,300	13,016	12,599	11,950
Remote Area Essential Services Program	16,820	34,857	42,955	38,970	13,027	6,798	6,344
TOTAL.....	139,795	202,545	260,605	272,126	183,093	139,779	157,260

BALANCE SHEET ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	28,832	77,285	42,891	34,810	30,216	22,969	21,082
Restricted cash	14,657	11,214	12,088	12,088	12,088	12,088	12,088
Receivables	50,320	208,926	50,894	51,085	51,085	51,085	51,085
Other.....	130,197	93,041	883,220	886,363	887,873	887,207	886,946
Assets held for sale	4,445	10,086	5,345	5,345	5,345	5,345	5,345
Total current assets	228,451	400,552	994,438	989,691	986,607	978,694	976,546
NON-CURRENT ASSETS							
Property, plant and equipment	11,583,226	10,400,797	12,835,006	13,802,599	14,048,600	14,084,055	14,145,455
Intangibles	2,504	2,916	2,799	3,099	3,354	3,354	3,354
Other.....	2,121,938	2,110,454	2,560,934	2,608,138	2,644,945	2,660,127	2,675,833
Total non-current assets	13,707,668	12,514,167	15,398,739	16,413,836	16,696,899	16,747,536	16,824,642
TOTAL ASSETS.....	13,936,119	12,914,719	16,393,177	17,403,527	17,683,506	17,726,230	17,801,188
CURRENT LIABILITIES							
Employee provisions.....	9,613	11,458	10,683	11,749	12,807	13,817	14,827
Payables ^(a)	42,032	46,512	41,601	40,865	40,624	39,487	38,212
Other.....	76,219	114,415	90,150	111,034	115,476	117,874	120,941
Total current liabilities.....	127,864	172,385	142,434	163,648	168,907	171,178	173,980
NON-CURRENT LIABILITIES							
Employee provisions.....	32,709	38,467	32,639	32,583	32,535	32,535	32,535
Borrowings.....	2,400,721	2,741,035	3,877,999	3,904,835	3,891,655	3,852,164	3,821,295
Other.....	4,475	(33,796)	4,223	4,223	4,222	4,222	4,223
Total non-current liabilities	2,437,905	2,745,706	3,914,861	3,941,641	3,928,412	3,888,921	3,858,053
TOTAL LIABILITIES.....	2,565,769	2,918,091	4,057,295	4,105,289	4,097,319	4,060,099	4,032,033
EQUITY							
Contributed equity	451,501	558,760	619,011	1,325,114	1,638,053	1,784,466	1,953,966
Accumulated surplus/(deficit)	2,460,517	2,644,567	2,423,548	2,349,777	2,378,250	2,439,598	2,516,455
Reserves	8,458,332	6,793,301	9,293,323	9,623,347	9,569,884	9,455,944	9,326,488
Total equity.....	11,370,350	9,996,628	12,335,882	13,298,238	13,586,187	13,680,008	13,796,909
TOTAL LIABILITIES AND EQUITY	13,936,119	12,914,719	16,393,177	17,403,527	17,683,506	17,740,107	17,828,942

(a) Full audited financial statements are published in the agency's Annual Report.

(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

CASHFLOW STATEMENT ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	81,184	133,252	212,622	137,551	69,546	38,021	25,681
Capital appropriation	108,825	110,860	147,510	542,603	187,939	31,200	-
Royalties for Regions Fund ^(c)	-	-	20,000	184,670	144,970	135,473	192,000
Net cash provided by State Government.....	190,009	244,112	380,132	864,824	402,455	204,694	217,681
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(65,173)	(79,930)	(79,632)	(80,621)	(83,744)	(86,916)	(90,183)
Grants and subsidies	(139,795)	(202,545)	(260,605)	(272,126)	(183,093)	(139,779)	(157,260)
Supplies and services	(170,545)	(227,421)	(164,604)	(188,972)	(229,014)	(199,598)	(229,226)
Accommodation	(101,077)	(161,511)	(129,141)	(126,985)	(110,336)	(113,148)	(116,410)
Finance Costs	(134,372)	(148,342)	(151,843)	(170,480)	(172,518)	(171,975)	(168,086)
Other payments	(197,074)	(131,263)	(206,622)	(205,204)	(217,862)	(224,366)	(235,772)
Receipts							
Grants and subsidies	155,677	160,028	207,283	214,455	192,035	210,092	244,705
Sale of goods and services	211,042	354,854	161,584	222,118	282,846	310,419	330,317
GST receipts.....	33,880	-	-	-	-	-	-
Interest received	92,487	89,147	101,794	96,509	100,397	103,482	103,568
Rent receipts.....	259,746	269,695	293,568	298,670	303,155	309,928	320,016
Dividend/ State contributions received.....	16,119	-	-	-	20,389	26,700	32,172
Other receipts	30,290	60,611	35,068	38,788	32,484	4,240	4,241
Net cash from operating activities.....	(8,308)	(16,677)	(193,150)	(173,848)	(65,261)	29,079	38,082
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(414,937)	(433,096)	(523,580)	(791,972)	(386,505)	(286,237)	(314,638)
Other payments	(5)	(16,000)	(14,000)	(12,000)	(16,000)	(16,000)	(16,000)
Proceeds from sale of non-current assets	57,342	108,888	70,879	99,276	130,086	115,890	119,563
Other receipts	2	-	-	-	-	-	-
Net cash from investing activities.....	(357,598)	(340,208)	(466,701)	(704,696)	(272,419)	(186,347)	(211,075)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(2,310,063)	(2,284,532)	(4,493,809)	(2,361,054)	(2,879,869)	(2,881,673)	(2,883,575)
Other proceeds	(2,468,000)	(2,356,430)	(5,642,784)	(2,365,929)	(2,866,689)	(2,842,182)	(2,842,706)
Proceeds from borrowings	2,628,000	2,549,630	5,967,484	2,402,929	2,866,689	2,842,182	2,852,706
Other proceeds	2,288,000	2,252,489	4,462,887	2,329,693	2,827,000	2,827,000	2,827,000
Net cash from financing activities	137,937	161,157	293,778	5,639	(52,869)	(54,673)	(46,575)
NET INCREASE/(DECREASE) IN CASH HELD	(37,960)	48,384	14,059	(8,081)	11,906	(7,247)	(1,887)
Cash assets at the beginning of the reporting period	78,880	40,115	40,920	54,979	46,898	42,304	35,057
Net cash transferred to/from other agencies	-	-	-	-	(16,500)	-	-
Cash assets at the end of the reporting period.....	40,920	88,499	54,979	46,898	42,304	35,057	33,170

(a) Full audited financial statements are published in the agency's Annual Report.

(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

(c) Regional Infrastructure and Headworks Fund - \$0 (2007-08), \$0 (2008-09), \$20,000 (2008-09), \$180,000 (2009-10), \$125,000 (2010-11), \$115,213 (2011-12), \$169,500 (2012-13), Regional Community Services Fund - \$0 (2007-08), \$0 (2008-09), \$0 (2008-09), \$4,670 (2009-10), \$19,970 (2010-11), \$20,260 (2011-12), \$22,500 (2012-13).

Part 9

Minister for Police; Emergency Services; Road Safety

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000
561	Western Australia Police			
	– Delivery of Services.....	887,919	902,764	914,620
	– Capital Appropriation	40,144	38,373	148,268
	Total	928,063	941,137	1,062,888
579	Fire and Emergency Services Authority of Western Australia			
	– Delivery of Services.....	27,997	27,665	25,172
	– Capital Appropriation	32,910	32,910	27,761
	Total	60,907	60,575	52,933
	GRAND TOTAL			
	– Delivery of Services.....	915,916	930,429	939,792
	– Capital Appropriation	73,054	71,283	176,029
	Total.....	988,970	1,001,712	1,115,821

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WESTERN AUSTRALIA POLICE

PART 9 - MINISTER FOR POLICE; EMERGENCY SERVICES; ROAD SAFETY

DIVISION 44

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 74 Net amount appropriated to deliver services	792,883	884,995	899,747	911,512	960,999	1,003,823	1,049,106
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	2,922	2,924	3,017	3,108	3,201	3,297	3,396
Total appropriations provided to deliver services	795,805	887,919	902,764	914,620	964,200	1,007,120	1,052,502
CAPITAL							
Item 152 Capital Appropriation.....	52,680	40,144	38,373	148,268	78,741	26,856	4,800
TOTAL APPROPRIATIONS	848,485	928,063	941,137	1,062,888	1,042,941	1,033,976	1,057,302
EXPENSES							
Total Cost of Services.....	824,956	890,932	916,611	949,459	999,368	1,042,565	1,086,738
Net Cost of Services ^(a)	786,397	853,856	874,620	917,044	965,608	1,008,728	1,053,910
CASH ASSETS ^(b)	91,463	51,264	81,387	79,992	79,132	80,632	62,832

- (a) Represents total cost of services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (b) As at 30 June each financial year.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2008-09 Budget to Parliament on 8 May 2008 are outlined below.

	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Election Commitments					
Increase Police Officer and Police Staff Numbers	-	31,095	52,316	71,432	90,001
Perth Metropolitan Radio Network Expansion	-	1,894	3,482	5,360	5,468
Re-Opening of Regional Police Stations	-	2,000	2,000	2,000	2,000
Media and Marketing, Advertising and Consultants Savings	(505)	(1,009)	(1,009)	(1,009)	(1,009)
Community Crime Prevention Program – CCTV	1,000	1,000	1,000	1,000	-
3% Efficiency Dividend					
Changes to the Mix of Additional Police Officers and Police Staff	-	(6,200)	(8,300)	(11,200)	(10,600)
Savings Associated with the Imminent Hoon Legislation Implementation	-	(8,000)	(8,000)	(8,000)	(8,000)
2.5% Saving in Procurement Services and Contracts	-	(5,800)	(5,800)	(5,800)	(5,800)
General Operational Savings	(4,700)	(7,250)	(6,700)	(6,500)	(6,500)
Total Savings.....	(4,700)	(27,250)	(28,800)	(31,500)	(30,900)

	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Economic Audit					
Cost Recovery from Police Presence at Special Events.....	-	(625)	(644)	(662)	(682)
Reduction in Community Engagement	-	(370)	(370)	(370)	(370)
External Integrity Checks for Government Regulatory Bodies	-	(715)	(780)	(840)	(865)

RESOURCE AGREEMENT

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Minister, Accountable Authority and Treasurer under Part 3, Division 5 of the *Financial Management Act 2006*.

OUTCOMES, SERVICES AND KEY PERFORMANCE INFORMATION

Relationship to Government Goals

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the agency's services and desired outcomes, and the government goal it contributes to. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Goal	Desired Outcomes	Services
Outcomes-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	Lawful behaviour and community safety.	1. Intelligence and Protective Services 2. Crime Prevention and Public Order 3. Community Support (non-offence incidents) 4. Emergency Management and Coordination
	Offenders apprehended and dealt with in accordance with the law.	5. Response to and Investigation of Offences 6. Services to the Judicial Process
	Lawful road-user behaviour.	7. Traffic Law Enforcement and Management
	A safer and more secure community.	8. Implementation of the State Crime Prevention Strategy

Service Summary

Expense	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
1. Intelligence and Protective Services.....	54,104	68,545	62,644	65,108	68,692	71,679	74,712
2. Crime Prevention and Public Order	62,919	84,950	69,879	72,637	76,600	79,978	83,401
3. Community Support (non-offence incidents)	61,267	83,041	72,007	74,838	78,918	82,390	85,908
4. Emergency Management and Coordination	25,780	25,149	34,035	35,443	37,283	38,974	40,634
5. Response to and Investigation of Offences	338,898	344,372	376,159	391,185	412,486	430,472	448,646
6. Services to the Judicial Process	96,454	86,361	103,888	108,128	114,041	118,983	124,048
7. Traffic Law Enforcement and Management ...	176,630	188,234	186,847	194,190	204,950	213,681	222,981
8. Implementation of the State Crime Prevention Strategy	8,904	10,280	11,152	7,930	6,398	6,408	6,408
Total Cost of Services	824,956	890,932	916,611	949,459	999,368	1,042,565	1,086,738

Significant Issues Impacting the Agency

- Detailed analysis and planning will continue in 2009-10 to ensure that preparation for the replacement of the Regional Radio Network is further advanced and that an appropriate solution is developed to ensure the continuity of police communications in Regional Western Australia.
- The Western Australia Police has adopted a new service delivery model for the Central Metropolitan District (CMD) which involves the realignment and maximisation of resources to bring about larger, but fewer police stations in the CMD. The first of these proposed complexes is the Western Suburbs Police Complex for which a comprehensive business case is currently being developed.
- Maintaining State-wide information and communication technology services with advancements in technology.
- Expanding available aerial support across Western Australia through the acquisition of an additional helicopter.
- Improving access to essential communication networks for the efficient deployment of policing services.
- Provision of new accommodation for additional officers and implementation of the Western Australia Police Strategic Accommodation Plan.
- Digitisation of Speed and Red-light Cameras and increased efficiency in infringement processing.
- Implementation of new and upgraded Case Management and Forensic Exhibit Tracking systems.
- Amendment to 'Hoon Legislation' to broaden the scope of road rage circumstances, include driving without a license, expand the definition of an impounding vehicle and increase the vehicle impounding period.
- Outsourcing of applications and payments for Firearm Licenses.
- Implementing Our People Strategy to ensure workforce capacity and capability meet future policing needs and community expectations.
- The continued emergence of diverse communities requiring appropriate service delivery to assist with integration to and mitigate against marginalisation.
- Emerging youth culture characterised by excessive liquor consumption and a propensity to engage in antisocial and violent behaviour.
- Meeting anticipated demand in child sexual abuse complaints through mandatory reporting, Redress Western Australia Program and the Public Sex Offender Register.
- Implementing and deploying to Regional Western Australia, Child Protection Squad Teams leading to improvements in the quality of investigations and overall support to victims.
- Increasing number of traffickers and established crime networks dealing in amphetamine type stimulants in both Metropolitan and Regional Western Australia.
- Continuing to assist in the development of the whole-of-government Crisis Information Management System (CIMS) to enable the state to respond effectively to major emergencies through:
 - representation on the Emergency Services Sub-Committee – CIMS Working Group; and
 - adoption of a web-enabled CIMS.
- Expanding the Licensing Enforcement Division to target alcohol and drug related incidents, including:
 - development of an Alcohol-Related Crime Strategy; and
 - expansion of liquor enforcement in both Metropolitan and Regional Western Australia.
- Introducing Prolific and Priority Offender Management Officers into each metropolitan district to focus police resources in order to reduce repeat victimisation and repeat offending.
- Reviewing district boundaries to ensure they are structured to meet service delivery requirements and address the demands of urban growth in respect to environmental, economic and social impacts.

- Continuing advancement in analytical and intelligence services to support agency priorities, including a focus on intelligence-led policing.
- Implementation and delivery of major projects in order to support service delivery, including:
 - the introduction of custody officers into the Perth Watch House to release police officers to frontline duties;
 - expansion of the Burglar Beware program involving the evaluation of South East Metropolitan District Burglar Beware and a focus on district implementation to current hotspot suburb locations; and
 - expansion and development of the Eyes on the Street intelligence gathering program.

Outcomes and Key Effectiveness Indicators ^(a)

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Outcome: Lawful behaviour and community safety:					
The community's level of satisfaction with services provided by police.....	6.6	=>6.7	6.6	=>6.7	
The community's level of satisfaction with services received during the most recent contact with police	7.6	=> 7.8	7.7	=> 7.8	
Extent to which the community thought each of the following was a problem in their own neighbourhood:					
- Physical assault in a public place	2.8	<= 2.4	2.8	<= 2.4	1
- Housebreaking	4.2	<= 4.0	4.3	<= 4.0	
- Motor vehicle theft	2.9	<= 2.8	2.9	<= 2.8	
- Illegal drugs	4.4	<= 4.1	4.2	<= 4.1	
- Louts or gangs.....	2.2	<= 2.0	2.2	<= 2.0	
- Drunken or disorderly behaviour	2.9	<= 2.5	2.9	<= 2.5	2
- Speeding cars, dangerous or noisy driving.....	5.3	<= 5.0	5.4	<= 5.0	
State emergency management plans in place and current, and resources committed, where the Police Service is the designated Hazard Management Agency, to prevent and minimise risk	6	6	6	6	
Number of police officers who have a key emergency-related qualification	2,815	3,550	2,982	3,000	3
Outcome: Offenders apprehended and dealt with in accordance with the law:					
Selected recorded offences against the person cleared:					
- Number cleared.....	27,942	=>27,000	28,000	=>27,000	
- Percentage cleared	83.6%	=>83%	85%	=>83%	
Selected recorded property offences cleared:					
- Number cleared.....	36,524	=>34,000	36,000	=>34,000	
- Percentage cleared	20.6%	=>20%	21%	=>20%	
Recorded drug-trafficking offences:.....					
- Number cleared.....	2,277	=>2,300	2,300	=>2,300	
- Percentage cleared	93.4%	=>93%	93%	=>93%	
Percentage of guilty pleas before trial	93.2%	93%	93%	93%	
Percentage of convictions for matters listed for trial	64.2%	65%	63%	65%	
Number of deaths in custody for which the Police Service is culpable.....	nil	nil	nil	nil	
Number of escapes from police custody	14	nil	2	nil	
Outcome: Lawful road-user behaviour:					
Percentage of drivers tested for drink-driving who are found to exceed the lawful alcohol limit.....	2.0%	=>1.6%	2.6%	=>2.5%	4
Percentage of vehicles monitored for speeding by speed cameras that are found to exceed the lawful speed limit.....	16.1%	=>20%	16%	=>15%	5

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Percentage of drivers who have never driven when they felt they might be over the alcohol limit in the last six months.....	84.3%	=>85%	85%	=>85%	
Percentage of drivers who have never exceeded the speed limit by 10kph or more in the last six months	34.9%	=>35%	37%	=>35%	
Percentage of drivers who have never driven without wearing a seat belt in the last six months.....	92.9%	=>91%	94%	=>93%	6
Extent to which the community thought speeding cars, dangerous or noisy driving was a problem in their own neighbourhood.....	5.3	<=5.0	5.4	<=5.0	
Outcome: A safer and more secure community:					
Reported rate of home burglary per 1,000 residential dwellings.....	30.0	<=30.0	29.0	<=30.0	
Proportion of the community who feel 'safe' or 'very safe' at home alone after dark.....	77.3%	=>79%	79%	=>79%	
Proportion of the community who feel 'safe' or 'very safe' at home alone during the day.....	89.4%	=>91%	90%	=>91%	

(a) Further detail in support of the key effectiveness indicators is provided in the agency's Annual Report.

Explanation of Significant Movements

(Notes)

1. The movement of the 2008-09 Estimated Actual from the 2008-09 Budget Target reflects community perception of physical assault in a public place to be a problem in their neighbourhood, which is influenced by reports in the media. High profile media reports associated with incidents on Australia Day, ongoing nightspot trouble in entertainment precincts, including several 'one-punch' incidents, and serious assaults on police may also have contributed. The 2009-10 Budget Target has been set in anticipation of an improvement in the community's perception.
2. The movement of the 2008-09 Estimated Actual from the 2008-09 Budget Target reflects community perception of drunken or disorderly behaviour to be a problem in their neighbourhood, which is influenced by reports in the media. High profile media reports associated with incidents on Australia Day, ongoing nightspot trouble in entertainment precincts, including several 'one-punch' incidents, and serious assaults on police may also have contributed. The 2009-10 Budget Target has been set in anticipation of an improvement in the community's perception.
3. The movement of the 2008-09 Estimated Actual from the 2008-09 Budget Target is due to a revised method of calculating the number of police officers who have an emergency management-related qualification. The new method of calculation excludes police officers that work in non-operational areas and those who are deemed to be no longer competent in the qualification. This method has also been applied to the 2007-08 Actual to enable comparison.
4. The 2009-10 Budget Target is higher than the 2008-09 Budget. The Target has been increased to reflect 2008-09 Estimated Actual performance in the percentage of drivers tested for drink-driving who are found to exceed the lawful alcohol limit.
5. The 2009-10 Budget Target is lower than the 2008-09 Budget. The Target has been reduced to reflect 2008-09 Estimated Actual performance that has resulted from the introduction of targeted deployment strategies. These include the increased deployment of speed cameras in Regional Western Australia and at crash 'black-spots', 'hoon' and other strategic locations as opposed to only high-volume traffic areas.
6. The 2009-10 Budget Target is higher than the 2008-09 Budget. The Target has been increased to reflect 2008-09 Estimated Actual performance in the percentage of drivers who have never driven without wearing a seat belt in the last six months.

Services and Key Efficiency Indicators

1: Intelligence and Protective Services

- Incorporating a range of specialist criminal intelligence analysis techniques and partnerships to target offenders and crime hot spots in order to ensure safety in the community, prevent and reduce crime. Activities undertaken include:
 - using criminal intelligence analysis techniques to develop effective policing strategies to target offenders and crime hotspots;
 - providing specialist protective and security services to international and other protected persons, assets and infrastructure,
 - airport security and witness protection; and
 - participating in crisis situations.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 54,104	\$'000 68,545	\$'000 62,644	\$'000 65,108	
Less Income.....	4,337	1,639	4,764	3,508	
Net Cost of Service ^(a)	49,767	66,906	57,880	61,600	
Employees (Full Time Equivalents)	527	546	508	513	
Efficiency Indicators					
Average Cost per Hour for Providing Intelligence and Protective Services ^(b)	\$98	\$96	\$100	\$104	1

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

(b) Calculated from internal police activity surveys.

Explanation of Significant Movements

(Notes)

1. Policing has a highly reactive nature, with demand for resources between the services reflective of initiatives to deal with criminal activities, traffic policing, and other important aspects of policing. The cost of services often reflects significant variations from year to year, as these demands are met. Significant issues during the Annual Survey period and changes in FTE mix can be influential on the results. Generally the hourly rate will increase in line with employee pay rates, and other cost increases, but changes in work practices can impact as well, such as civilianisation of functions or streamlining of processes.

2: Crime Prevention and Public Order

- Providing general support to the community including a visible police presence and crime prevention activities. Maintaining an adequate service and timely response to the needs of local communities at all times is a critical factor in achieving broader outcomes. The provision of this 24 hour service includes:
 - liaising with the community, engaging in community education and raising awareness on crime prevention, and
 - providing regulatory services;
 - policing public events (including planning and debriefings); and
 - engaging in programs/initiatives dealing with the media, schools, Local Government, community and business groups and government and non-government groups.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 62,919	\$'000 84,950	\$'000 69,879	\$'000 72,637	
Less Income	6,236	13,390	6,849	5,044	
Net Cost of Service ^(a)	56,683	71,560	63,030	67,593	
Employees (Full Time Equivalents)	686	711	550	555	
Efficiency Indicators					
Average Cost per Hour for Providing Crime Prevention and Public Order Services ^(b)	\$97	\$94	\$99	\$103	

- (a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.
- (b) Calculated from internal police activity surveys.

3: Community Support (Non-Offence Incidents)

- Providing support to the community, which involves provision of general information over the telephone, counter or in person, responding to public inquiries, handling non-offence related matters and incidents to enhance the quality of life of all people in the community. Activities associated with this service include:
 - assisting members of the community with personal issues such as restraint order inquiries;
 - clarifying laws and witnessing official documents;
 - compiling missing persons reports; and
 - handling Crime Stoppers inquiries, etc.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 61,267	\$'000 83,041	\$'000 72,007	\$'000 74,838	
Less Income	5,403	1,986	5,934	4,370	
Net Cost of Service ^(a)	55,864	81,055	66,073	70,468	
Employees (Full Time Equivalents)	630	653	554	559	
Efficiency Indicators					
General Calls for Police Assistance (not Including '000' Calls) Answered within 20 Seconds ^(b)	80%	85%	81%	85%	1
Average Cost per Hour for Providing Community Support (Non-Offence Incidents) Services ^(c)	\$79	\$97	\$101	\$105	

- (a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.
- (b) General calls to the Police Assistance Centre (131 444) not including emergency '000' calls or calls from security firms, education security, St John Ambulance, Fire and Emergency Services, Cab Alert and Western Power.
- (c) Calculated from internal police activity surveys.

Explanation of Significant Movements

(Notes)

1. The movement between the 2008-09 Estimated Actual and the 2008-09 Budget is due to an increase in resources approved for the Police Assistance Centre (PAC). As a result of the labour market, procedural issues and industrial issues, the PAC was unable to recruit and fill all vacant positions in time for the 2008-09 summer peak period.

4: Emergency Management and Coordination

- Responding in timely and effective manner to a range of emergencies and disasters to increase public feelings of safety and security. A key role of the agency is to plan, coordinate and provide support programs to ensure readiness for major emergencies and disasters including terrorist incidents, natural disasters, search and rescue. Activities associated include:
 - training officers and volunteers in emergency management and conducting training exercises involving other authorities;
 - coordinating and controlling searches; and
 - coordinating all combat authorities during major civil and technological disasters.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 25,780	\$'000 25,149	\$'000 34,035	\$'000 35,443	
Less Income.....	1,372	676	1,507	1,110	
Net Cost of Service ^(a)	24,408	24,473	32,528	34,333	
Employees (Full Time Equivalents)	174	180	248	250	
Efficiency Indicators					
Average Cost (\$) per Hour of Emergency Management and Coordination ^(b)	\$90	\$101	\$107	\$111	

- (a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.
- (b) Calculated from internal police activity surveys.

5: Response to and Investigation of Offences

- Providing a timely response and effectively investigating offences to bring individuals who commit offences before the justice system. Activities associated with the response to and investigation of offences include:
 - coordinating an initial response;
 - gathering and securing evidence, collating and analysing intelligence;
 - providing quality investigations, apprehending offenders; and
 - preparing evidence and prosecution files and briefs.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 338,898	\$'000 344,372	\$'000 376,159	\$'000 391,185	
Less Income.....	12,629	8,235	13,871	11,511	
Net Cost of Service ^(a)	326,269	336,137	362,288	379,674	
Employees (Full Time Equivalents)	2612	2705	2942	2970	
Efficiency Indicators					
Emergency calls (000) for police assistance answered within 20 seconds ^(b)	88%	90%	87%	90%	1
Average time taken to respond to urgent calls for police assistance in the metropolitan area from call received (entered) to arrival at scene ^{(c) (d) (e) (f) (g) (h) (i)}					
- Priority 1-2 calls	8 mins	9 mins	9 mins	9 mins	
- Priority 3 calls	18 mins	25 mins	19 mins	25 mins	2
Average Cost (\$) per Response/Investigation ^(j)	\$1,467	\$1,493	\$1,630	\$1,695	

- (a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.
- (b) Emergency calls to the Police Operations Centre ('000') not including general (131 444) calls or calls from security firms, education security, St John Ambulance, Fire and Emergency Services, Cab Alert, and Western Power.
- (c) The Computer Aided Dispatch (CAD) system is used for creating and managing tasks for police attendance within the metropolitan area.

- (d) EXCEPTIONS. In order to provide an accurate indication of response times, the following types of incidents have been excluded from calculations as they do not contribute to measuring service delivery and/or have the potential to skew results: Scheduled Events - are incidents created for attendance at a later time (e.g. Royal Flying Doctor Service escorts); Pursuits - are deemed 'arrived' at the time of initiating the CAD incident; Change of Incident Response Priority - where incidents are subject to a priority upgrade (e.g. priority 4 to priority 2), the applicable response target time becomes that of the new priority group, however the target response time for that priority may already have expired; and Incidents with no recorded 'At Scene' Time - due to a number of circumstances these do not have an 'At Scene' time recorded.
- (e) Priority 1 tasks cover offences such as an armed hold-up in progress; armed offender incident in progress and other life threatening incidents. Priority 2 tasks cover incidents where life or property is, or may be, in a state of threat or imminent danger. Due to the extremely small number of Priority 1 incidents (which are statistically insignificant), these are included with Priority 2 incidents to calculate a combined response time.
- (f) Priority 3 tasks cover incidents requiring immediate attention but are not life threatening at that time. Priority 3 incidents may involve the welfare of a person, the possible apprehension of offenders or the preservation of evidence. This requires the dispatch of the first available local/district or other resource.
- (g) The response time has been formulated from the time the incident was initiated in the CAD system to arrival of the first resource at the scene.
- (h) The response times of other resources that may also attend the same incident are excluded.
- (i) The paramount considerations in responding to all incidents are the safety of the community and police officers, and the quality of the response. Response times are therefore considered to be indicative and only one aspect of police performance when responding to incidents. Response times are affected by many factors including the number of available police, existing job demands and priorities, road and weather conditions.
- (j) The number of responses/investigations is based on the total number of selected reported offences excluding receiving/illegal use, fraud and graffiti offences.

Explanation of Significant Movements

(Notes)

- The movement between the 2008-09 Estimated Actual and the 2008-09 Budget is due to an increase in resources approved for the Police Assistance Centre (PAC). As a result of the labour market, procedural issues and industrial issues, the PAC was unable to recruit and fill all vacant positions in time for the 2008-09 summer peak period.
- The 2009-10 Budget Target reflects the current Western Australia Police 'Service Delivery Standard' for priority 3 calls.

6: Services to the Judicial Process

- Providing effective services to the judicial process is essential in bringing offenders before the criminal justice system. The successful prosecution of offenders is dependent upon the quality of investigations and the standard and presentation of evidence to courts. Activities associated with this service include:
 - presenting evidence, brief handling, prosecution role, justice systems processes;
 - providing custodial services;
 - monitoring the quality of and timeliness of brief presentation to the relevant court; and
 - providing custodial care of prisoners, administering bail and reporting processes and providing all types of escorts.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 96,454	\$'000 86,361	\$'000 103,888	\$'000 108,128	
Less Income	4,400	2,121	4,833	3,558	
Net Cost of Service ^(a)	92,054	84,240	99,055	104,570	
Employees (Full Time Equivalents)	740	766	809	817	
Efficiency Indicators					
Average cost (\$) per Hour of Services to the Judicial Process ^{(b) (c)}	\$96	\$91	\$100	\$104	
Average cost (\$) per Guilty Plea ^{(b) (c)}	\$49	\$44	\$31	\$33	
Average cost (\$) per Non-guilty Plea ^{(b) (c)}	\$389	\$349	\$251	\$261	

- (a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.
- (b) Calculated from internal police activity surveys.
- (c) Relates to matters (charges) that have been placed before the Magistrates Court and Children's Court throughout the State by the police (note that as from December 2006, the Director of Public Prosecutions became responsible for the prosecution of matters at the Perth Children's Court). The data may also include a small number of matters placed before the Keeling Islands (Christmas and Cocos Island) Court by the Australian Federal Police. Criminal matters placed before the District and Supreme Courts are not included.

7: Traffic Law Enforcement and Management

- Providing traffic management and road safety strategies contributes to the whole-of-government initiative of improving road user behaviour and minimising road fatalities and injuries. The achievement of this outcome is dependent on the integrated approach to road safety involving partnerships with other government agencies and stakeholders. The strategies to assist in targeting behaviours identified as major contributors to road fatalities include:
 - deterring and detecting alcohol and drug related driving offences including crashes;
 - conducting stationary speed operations involving speed cameras and hand held radar laser units;
 - conducting targeted traffic law enforcement operations such as random breath tests;
 - attending and conducting investigations and follow up inquiries that may be required; and
 - providing community education and raising awareness on road safety issues.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 176,630	\$'000 188,234	\$'000 186,847	\$'000 194,190	
Less Income.....	3,171	8,279	3,483	2,564	
Net Cost of Service ^(a)	173,459	179,955	183,364	191,626	
Employees (Full Time Equivalents)	1406	1456	1570	1584	
Efficiency Indicators					
Average Cost (\$) per Hour of Traffic Law Enforcement and Management ^(b)	\$98	\$96	\$93	\$96	1

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

(b) Calculated from internal police activity surveys.

Explanation of Significant Movements

(Notes)

1. Policing has a highly reactive nature, with demand for resources between the services reflective of initiatives to deal with criminal activities, traffic policing, and other important aspects of policing. The cost of services often reflects significant variations from year to year, as these demands are met. Significant issues during the Annual Survey period and changes in FTE mix can be influential on the results. Generally the hourly rate will increase in line with employee pay rates, and other cost increases, but changes in work practices can impact as well, such as civilianisation of functions or streamlining of processes.

8: Implementation of the State Crime Prevention Strategy

- The Office of Crime Prevention implements the State Crime Prevention Strategy by:
 - providing high level advice to the Government;
 - conducting policy research and development to identify effective methods to reduce crime;
 - establishing community safety and crime prevention partnerships and plans;
 - communicating with key stakeholders and the community; and
 - managing and evaluating projects supported by grant funding.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 8,904	\$'000 10,280	\$'000 11,152	\$'000 7,930	
Less Income.....	1,011	750	750	750	
Net Cost of Service ^(a)	7,893	9,530	10,402	7,180	
Employees (Full Time Equivalents).....	38	37	41	41	
Efficiency Indicators					
Average Cost per Community Safety and Crime Prevention Partnership					
Managed.....	\$31,129	\$32,449	\$30,189	\$23,084	1
Average Cost per Hour for Research, Policy Development and Support to the					
State and National Crime Prevention Forums	\$125	\$128	\$130	\$117	
Average Cost per \$1 million in Grant Funding Administered.....	\$244,469	\$294,829	\$363,669	\$231,353	1

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

Explanation of Significant Movements

(Notes)

1. The decrease in the 2009-10 Budget Target compared to the 2008-09 Estimated Actual is due to a reduction in the Office of Crime Prevention budget in 2009-10. This variance reflects an increase in total cost of services in 2008-09, which is associated with the 'Hoons' and 'One Punch' advertising campaigns.

ASSET INVESTMENT PROGRAM

To support the delivery of the Western Australia Police services, a total of \$152.4 million is budgeted for 2009-10 including the following:

- The commencement of the Government Election Commitments such as:
 - Perth Metropolitan Radio Network (PMRN) Expansion;
 - new Police Stations and Upgrades;
 - the digitisation of fixed Speed and Red-Light Cameras and Mobile Speed Cameras;
 - major Aircraft New and Replacement program – helicopter; and
 - accommodation for the increase in police officer and police staff numbers.
- Re-priorisation of capital works to the Information Communications and Technology (ICT) Program for ICT business continuity and development.
- Perth Police Complex.
- Completion of the South Hedland Police Station replacement.
- Other programs include:
 - Multi Functional Police Facilities and Relieving Officers Quarters; and
 - the Counter Terrorism Multi Agency Response Project.

	Estimated Total Cost (a) \$'000	Estimated (a) Expenditure to 30-6-09 \$'000	2008-09 (b) Estimated Expenditure \$'000	2009-10 (b) Estimated Expenditure \$'000	2010-11 (b) Forward Estimate \$'000	2011-12 (b) Forward Estimate \$'000	2012-13 (b) Forward Estimate \$'000
WORKS IN PROGRESS							
Counter-Terrorism Initiatives							
Multi Agency Response - Capability/Capacity – North							
West Deployment - Bomb Squad - Safety/Security	14,345	11,209	3,990	3,136	-	-	-
Fleet and Equipment Purchases - New and Replacement							
Non Leased Non Standard Vehicles 2006-07 to 2009-10....	5,122	4,322	1,229	800	-	-	-
Schedule Equipment Replacement Program 2008-10.....	4,000	2,500	589	1,500	-	-	-
Police Facilities							
Additions and Alterations to Existing Facilities							
South Hedland Police Station	17,069	8,315	7,548	8,754	-	-	-
Central Facilities Relocation Strategy							
Perth Police Complex.....	102,460	11,876	406	14,600	39,220	16,764	20,000
New and Replacement Police Facilities							
Blackstone Remote Multifunctional Policing Facility ...	6,648	6,148	5,990	500	-	-	-
Burrurrah Remote Multi Function Police Facility.....	6,038	5,035	4,619	1,003	-	-	-
Canning Vale Police Station	4,100	4,003	-	97	-	-	-
Derby Police Station	5,959	5,259	4,215	700	-	-	-
Kimberley District Police Complex.....	13,135	12,735	4,401	400	-	-	-
Looma Remote Multifunctional Policing Facility	5,684	4,884	4,663	800	-	-	-
Pilbara District Police Complex.....	16,260	14,388	10,732	1,872	-	-	-
West Metropolitan District Accommodation Upgrade...	9,000	308	253	5,642	3,050	-	-
Upgrades							
Custodial Facilities Upgrades	1,800	200	200	1,600	-	-	-
Police Station Upgrade Program 2007-08 to 2009-10....	6,780	4,540	3,953	2,240	-	-	-
COMPLETED WORKS							
Boat and Equipment Acquisition							
Mandurah Marine Operations Centre	600	600	320	-	-	-	-
Fleet and Equipment Purchases - New and Replacement							
Aircraft Replacement Program	10,465	10,465	447	-	-	-	-
Crime Investigation Support - BCI Surveillance							
Equipment	1,500	1,500	259	-	-	-	-
Replacement Equipment Program	13,366	13,366	3,056	-	-	-	-
Information Technology Infrastructure							
Delta Communications and Technology (DCAT).....	109,025	109,025	4,174	-	-	-	-
Information and Communication Technology (ICT)							
Project Continuation 2007-08/2008-09	6,500	6,500	6,500	-	-	-	-
Perth Metro Radio Network (CADCOM Stage 1C)	56,908	56,908	632	-	-	-	-
Other Capital Works Proposals							
Small Robot Systems (Path Centre)	700	700	247	-	-	-	-
Police Facilities							
Additions and Alterations to Existing Facilities							
Balgo Multifunctional Policing Facility - ROQ	550	550	550	-	-	-	-
Bidyadanga Multifunctional Policing Facility - ROQ....	496	496	469	-	-	-	-
New and Replacement Police Facilities							
Bidyadanga Police Station (Gordon Inquiry)	2,748	2,748	71	-	-	-	-
Dampier Peninsular Police Station (Gordon Inquiry)	3,200	3,200	407	-	-	-	-
Ellenbrook Police Station.....	3,080	3,080	1	-	-	-	-
Harvey Police Station.....	3,600	3,600	268	-	-	-	-
Jigalong Police Station (Gordon Inquiry)	3,929	3,929	53	-	-	-	-
Kalumburu Police Station (Gordon Inquiry)	3,565	3,565	58	-	-	-	-
Leonora Police Station	4,270	4,270	684	-	-	-	-
Oombulgurri Interim Police Facility and Residential							
Accommodation	1,495	1,495	404	-	-	-	-
Operations Support Facility Stage 2 Traffic Support	21,862	21,862	2,117	-	-	-	-
Police Operations Support Facility	42,056	42,056	231	-	-	-	-
Property Receival and Exhibit Storage (PRESS)							
Facility	4,305	4,305	4,305	-	-	-	-
Rockingham Police Rail Unit	4,875	4,875	3,054	-	-	-	-
Wanneroo Police Station.....	3,154	3,154	11	-	-	-	-
Warakurna Police Station (Gordon Inquiry).....	3,638	3,638	47	-	-	-	-
Warmun Police Station (Gordon Inquiry)	3,236	3,236	2	-	-	-	-
Planning and Feasibility Studies							
Feasibility Study - Strategic Accommodation Plan.....	200	200	135	-	-	-	-
Police Station Upgrade Program.....	4,041	4,041	520	-	-	-	-
NEW WORKS							
Fleet and Equipment Purchases - New and Replacement							
Major Aircraft New and Replacement Program - Helicopter.....	24,030	-	-	24,030	-	-	-

	Estimated Total Cost (a) \$'000	Estimated (a) Expenditure to 30-6-09 \$'000	2008-09 (b) Estimated Expenditure \$'000	2009-10 (b) Estimated Expenditure \$'000	2010-11 (b) Forward Estimate \$'000	2011-12 (b) Forward Estimate \$'000	2012-13 (b) Forward Estimate \$'000
Non Leased - Non Standard Motor Vehicle Replacement Program 2010-11.....	900	-	-	-	900	-	-
Non Leased - Non Standard Motor Vehicle Replacement Program 2011-12.....	900	-	-	-	-	900	-
Non Leased - Non Standard Motor Vehicle Replacement Program 2012-19.....	9,100	-	-	-	-	-	1,000
Scheduled Equipment Replacement Program 2010-11.....	2,281	-	-	500	1,781	-	-
Scheduled Equipment Replacement Program 2011-12.....	4,500	-	-	-	-	4,500	-
Scheduled Equipment Replacement Program 2012-19.....	37,700	-	-	-	-	-	4,700
Speed and Red Light Camera Upgrades.....	30,000	-	-	30,000	-	-	-
Information Technology Infrastructure							
ICT Continuity and Development program 2009-10.....	13,000	-	-	13,000	-	-	-
ICT Continuity and Development Program 2010-11.....	11,074	-	-	-	11,074	-	-
PMRN Expansion and Regional Radio Planning.....	31,272	-	-	20,071	11,201	-	-
Police Facilities							
Additional 500/200 - Accommodation.....	6,000	-	-	6,000	-	-	-
New and Replacement Police Facilities							
New Police Stations and Upgrades.....	24,000	-	-	15,158	7,950	892	-
New South Metropolitan Region Station.....	10,000	-	-	-	5,000	5,000	-
Upgrades							
Custodial Facilities Upgrade Program 2010-11.....	1,800	-	-	-	1,800	-	-
Custodial Facilities Upgrade Program 2011-12.....	1,800	-	-	-	-	1,800	-
Custodial Facilities Upgrade Program 2012-19.....	15,960	-	-	-	-	-	1,920
Police Station Upgrade Program 2010-11.....	2,713	-	-	-	2,713	-	-
Police Station Upgrade Program 2011-12.....	2,700	-	-	-	-	2,700	-
Police Station Upgrade Program 2012-19.....	23,940	-	-	-	-	-	2,880
Total Cost of Asset Investment Program	785,434	409,086	81,810	152,403	84,689	32,556	30,500
FUNDED BY							
Capital Appropriation.....			38,373	148,268	78,741	26,856	4,800
Drawdowns from the Holding Account.....			1,922	1,740	3,181	5,400	5,700
Internal Funds and Balances.....			29,449	2,395	2,767	300	20,000
Other.....			12,066	-	-	-	-

- (a) The Estimated Total Cost and Estimated Expenditure to 30-6-09 columns include all Expenditures (Investing and Expensed) prior to and including 2007-08, budgeted 2008-09 and future year investing activities.
- (b) These Estimated Expenditure columns reflect Investing Activities only.

FINANCIAL STATEMENTS

Income Statement

Income

Total income is estimated to be \$32.4 million for 2009-10. This represents a decrease of \$9.6 million (22.8 per cent) compared to the 2008-09 Estimated Actual. The decrease is mainly attributable to a one-off capital grant received in 2008-09 as part of the Commonwealth's contribution to fund the construction of three new multifunctional policing facilities and the relieving officers quarters at Bidyadanga

Expenses

The Income Statement shows an estimated increase in the 2009-10 Total Cost of Services of \$32.8 million (3.6 per cent), when compared to the 2008-09 Estimated Actual.

- This net increase is mainly attributable to:
 - additional police officers and police staff programs;
 - provision for police officers salary increases;
 - salary increase for police support staff as part of the Public Service General Agreement;
 - Perth Metropolitan Radio Network expansion;
 - 3% Efficiency Dividend Savings;
 - savings from Economic Audit; and
 - savings on Media and Marketing, Advertising and Consultants.

Balance Sheet

The Western Australia Police's total net asset position (total equity) is expected to increase by \$146.6 million (18.3 per cent) between the 2008-09 Estimated Actual and the 2009-10 Budget. This reflects a projected increase in total assets of \$153.2 million (15.8 per cent) and an increase in total liabilities of \$6.6 million (3.9 per cent) over the same period.

- The expected increase in assets is attributable to increased:
 - property, plant and equipment (\$153.3 million), mainly as a result of the capital works projects such as the ICT Program, Major Aircraft New and Replacement Program and Speed Enforcement and Traffic Infringement Processing; and
 - holding account receivables for approved future asset replacement (\$43.9 million).
- The increase in liabilities (\$6.6 million) is mainly attributable to the estimated increase in employee provisions as a result of salary and wage increases and the employment of additional police officers and staff.
- The movement in Non-Current Assets 'Other' over the forward estimate period represents the completion of fixed assets under construction and the transfer to the relevant class of assets.

Cashflow Statement

- The 2009-10 closing cash asset balance of \$80 million represents a decrease of \$1.4 million in comparison to the 2009-09 Estimated Actual.
- The increase in net cash from operating activities is primarily attributable to the explanation provided under expenses in the Income Statement.
- The increase in investing activities is a result of capital contribution provided by Government to fund ICT, helicopter, digitisation of Speed and Red Light Cameras and other ongoing capital works programs.

INCOME STATEMENT ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(c)	622,690	673,752	680,432	708,769	743,950	781,257	821,128
Grants and subsidies ^(d)	3,958	5,123	4,483	4,723	4,258	4,308	3,648
Supplies and services	99,202	99,714	106,967	91,118	98,798	94,998	94,971
Accommodation	23,771	32,438	33,200	39,779	43,963	46,884	47,958
Depreciation and amortisation	37,772	37,402	37,768	41,057	42,034	43,640	43,640
Other expenses	42,635	51,545	53,761	64,013	66,365	71,478	75,393
TOTAL COST OF SERVICES	830,028	899,974	916,611	949,459	999,368	1,042,565	1,086,738
Income							
Sale of goods and services	2,862	2,299	2,999	4,324	4,364	4,382	4,402
Regulatory fees and fines	13,430	13,661	15,311	17,180	17,780	18,392	18,988
Grants and subsidies	10,544	15,061	16,761	4,268	5,018	4,443	2,818
Other revenue	11,723	6,055	6,920	6,643	6,598	6,620	6,620
Total Income	38,559	37,076	41,991	32,415	33,760	33,837	32,828
NET COST OF SERVICES	791,469	862,898	874,620	917,044	965,608	1,008,728	1,053,910
INCOME FROM STATE GOVERNMENT							
Service appropriations	795,805	887,919	902,764	914,620	964,200	1,007,120	1,052,502
Resources received free of charge	1,398	1,408	1,408	1,408	1,408	1,408	1,408
Liabilities assumed by the Treasurer ^(e)	5,072	9,042	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	802,275	898,369	904,172	916,028	965,608	1,008,528	1,053,910
SURPLUS/(DEFICIENCY) FOR THE PERIOD	10,806	35,471	29,552	(1,016)	-	(200)	-
Extraordinary items	406	-	-	-	-	-	-
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	11,212	35,471	29,552	(1,016)	-	(200)	-

- (a) Full audited financial statements are published in the agency's Annual Report.
(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.
(c) The Full Time Equivalents (FTEs) for 2007-08 Actual, 2008-09 Estimated Actual and 2009-10 Estimate are 6,813, 7,222 and 7,289 respectively.
(d) Refer Details of Controlled Grants and Subsidies table below for further information.
(e) Following a change in accounting policy, effective from 31 December 2008, notional superannuation will no longer be recognised in the financial statements.

Details of Controlled Grants and Subsidies

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Aboriginal Warden Scheme	36	500	500	500	500	500	500
Community Safety and Crime Prevention Partnership Fund	3,859	4,518	3,878	4,118	3,653	3,703	3,043
Other	63	105	105	105	105	105	105
TOTAL	3,958	5,123	4,483	4,723	4,258	4,308	3,648

BALANCE SHEET ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	76,090	41,156	64,127	60,835	58,068	57,568	37,568
Restricted cash	8,848	2,363	8,920	8,920	8,920	8,920	8,920
Holding account receivables	1,922	1,740	1,740	3,181	5,400	5,700	6,000
Receivables	10,025	9,196	10,025	10,025	10,025	10,025	10,025
Other	5,476	5,999	5,476	5,476	5,476	5,476	5,476
Assets held for sale	18,522	1,271	17,352	16,672	16,672	16,672	16,672
Total current assets	120,883	61,725	107,640	105,109	104,561	104,361	84,661
NON-CURRENT ASSETS							
Holding account receivables	71,216	112,402	117,328	159,832	201,094	243,662	285,930
Property, plant and equipment	570,205	516,943	572,674	726,001	744,412	745,967	816,411
Intangibles	76,142	38,491	63,947	51,158	40,003	38,948	37,755
Restricted cash	6,525	7,745	8,340	10,237	12,144	14,144	16,344
Other	45,959	118,015	99,047	69,856	105,255	93,671	11,280
Total non-current assets	770,047	793,596	861,336	1,017,084	1,102,908	1,136,392	1,167,720
TOTAL ASSETS	890,930	855,321	968,976	1,122,193	1,207,469	1,240,753	1,252,381
CURRENT LIABILITIES							
Employee provisions	113,335	109,271	118,341	118,461	118,581	118,581	118,581
Payables	10,568	5,223	10,568	10,568	10,568	10,568	10,568
Other	9,366	10,956	11,253	13,150	14,937	16,937	19,137
Total current liabilities	133,269	125,450	140,162	142,179	144,086	146,086	148,286
NON-CURRENT LIABILITIES							
Employee provisions	24,480	32,944	29,558	34,186	38,814	43,442	48,070
Total non-current liabilities	24,480	32,944	29,558	34,186	38,814	43,442	48,070
TOTAL LIABILITIES	157,749	158,394	169,720	176,365	182,900	189,528	196,356
EQUITY							
Contributed equity	284,744	301,322	321,267	468,855	547,596	574,452	579,252
Accumulated surplus/(deficit)	94,548	126,407	124,100	123,084	123,084	122,884	122,884
Reserves	353,889	269,198	353,889	353,889	353,889	353,889	353,889
Total equity	733,181	696,927	799,256	945,828	1,024,569	1,051,225	1,056,025
TOTAL LIABILITIES AND EQUITY	890,930	855,321	968,976	1,122,193	1,207,469	1,240,753	1,252,381

(a) Full audited financial statements are published in the agency's Annual Report.

(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

CASHFLOW STATEMENT ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	749,948	844,993	854,912	868,935	917,538	958,852	1,004,234
Capital appropriation	52,680	40,144	38,373	148,268	78,741	26,856	4,800
Holding account drawdowns	24,009	1,922	1,922	1,740	3,181	5,400	5,700
Net cash provided by State Government.....	826,637	887,059	895,207	1,018,943	999,460	991,108	1,014,734
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(604,166)	(657,371)	(668,535)	(702,124)	(737,413)	(774,447)	(814,332)
Grants and subsidies	(3,666)	(5,123)	(4,483)	(4,723)	(4,258)	(4,308)	(3,648)
Supplies and services	(97,315)	(98,493)	(105,746)	(89,336)	(93,886)	(89,538)	(89,181)
Accommodation.....	(23,259)	(29,005)	(29,096)	(35,312)	(37,789)	(39,616)	(41,026)
Other payments	(64,666)	(74,534)	(77,154)	(88,405)	(95,595)	(101,809)	(105,504)
Receipts							
Regulatory fees and fines.....	13,342	13,740	15,390	17,259	17,859	18,471	19,067
Grants and subsidies	10,547	15,061	16,761	4,268	5,018	4,443	2,818
Sale of goods and services	2,515	2,199	2,899	4,224	4,264	3,561	3,581
GST receipts.....	23,716	19,911	19,911	19,911	19,911	19,911	19,911
Other receipts	11,806	5,980	6,580	6,303	6,258	6,280	6,280
Net cash from operating activities.....	(731,146)	(807,635)	(823,473)	(867,935)	(915,631)	(957,052)	(1,002,034)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(64,974)	(63,037)	(81,810)	(152,403)	(84,689)	(32,556)	(30,500)
Proceeds from sale of non-current assets	152	-	-	-	-	-	-
Net cash from investing activities.....	(64,822)	(63,037)	(81,810)	(152,403)	(84,689)	(32,556)	(30,500)
NET INCREASE/(DECREASE) IN CASH HELD							
	30,669	16,387	(10,076)	(1,395)	(860)	1,500	(17,800)
Cash assets at the beginning of the reporting period	60,794	34,877	91,463	81,387	79,992	79,132	80,632
Cash assets at the end of the reporting period.....	91,463	51,264	81,387	79,992	79,132	80,632	62,832

(a) Full audited financial statements are published in the agency's Annual Report.

(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

**RECONCILIATION RELATING TO MAJOR FUNCTIONAL TRANSFERS
AND ACCOUNTING POLICY CHANGES**

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement.....	830,028	899,974	916,611	949,459	999,368	1,042,565	1,086,738
Adjustment for Notional Superannuation.....	(5,072)	(9,042)	-	-	-	-	-
Adjusted Total Cost of Services	824,956	890,932	916,611	949,459	999,368	1,042,565	1,086,738

DETAILS OF ADMINISTERED TRANSACTIONS

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
INCOME							
Fines							
Firearms Licensing Infringements.....	152	200	200	200	200	200	200
Other							
Sale of lost, stolen and forfeited property	330	450	450	450	450	450	450
TOTAL INCOME.....	482	650	650	650	650	650	650
EXPENSES							
Other							
Receipts Paid into Consolidated Account	373	650	650	650	650	650	650
All Other Expenses	109	-	-	-	-	-	-
TOTAL EXPENSES.....	482	650	650	650	650	650	650

NET APPROPRIATION DETERMINATION

A determination by the Treasurer, pursuant to Section 23 of the *Financial Management Act 2006*, provides for the retention of the following cash receipts by the Department:

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000
Commonwealth Contribution For Multi-Functional Police Facilities	7,000	13,000	13,000	-
Commonwealth-National Campaign Against Drug Abuse.....	146	146	-	-
Commonwealth-Police Recruit Training Program.....	805	490	394	-
Departmental.....	24,858	16,191	20,791	24,240
GST Input Credits.....	21,287	18,523	18,523	18,523
GST Receipts on Sales.....	2,429	1,388	1,388	1,388
Licences	5,019	5,603	5,603	6,495
Other.....	382	1,550	1,842	1,319
TOTAL.....	61,926	56,891	61,541	51,965

The moneys received and retained are to be applied to the Department's services as specified in the Budget Statements.

FIRE AND EMERGENCY SERVICES AUTHORITY OF WESTERN AUSTRALIA

PART 9 - MINISTER FOR POLICE; EMERGENCY SERVICES; ROAD SAFETY

DIVISION 45

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 75 Net amount appropriated to deliver services	46,631	27,997	27,665	25,172	25,198	24,675	24,548
Total appropriations provided to deliver services	46,631	27,997	27,665	25,172	25,198	24,675	24,548
CAPITAL							
Item 153 Capital Appropriation.....	1,210	32,910	32,910	27,761	-	-	-
TOTAL APPROPRIATIONS	47,841	60,907	60,575	52,933	25,198	24,675	24,548
EXPENSES							
Total Cost of Services.....	218,069	208,153	212,063	233,001	237,057	246,750	258,422
Net Cost of Services ^(a)	33,995	31,984	35,481	34,942	24,936	29,618	25,332
CASH ASSETS ^(b)	60,095	38,415	53,927	22,364	16,066	23,567	11,795

- (a) Represents total cost of services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (b) As at 30 June each financial year.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2008-09 Budget to Parliament on 8 May 2008 are outlined below.

	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Election Commitments					
Metropolitan Volunteer Sea Rescue Group.....	350	200	200	200	-
Media and Marketing, Advertising and Consultants Savings.....	(116)	(232)	(232)	(232)	(232)
3% Efficiency Dividend					
Research and Development	(135)	(90)	(90)	(90)	(90)
Minor Works and Equipment and Maintenance.....	(1,700)	(2,086)	(2,043)	(2,000)	(2,305)
Public Relations, Information and Marketing	(600)	(1,217)	(1,217)	(1,217)	(1,217)
Professional Development	(440)	(270)	(270)	(270)	(270)
General Administrative Efficiencies	(1,546)	(1,766)	(1,766)	(1,766)	(1,766)
Total Savings.....	(4,421)	(5,429)	(5,386)	(5,343)	(5,648)
Other					
Regional Volunteer Marine Rescue Service	-	1,884	2,329	1,315	956

RESOURCE AGREEMENT

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Minister, Accountable Authority and Treasurer under Part 3, Division 5 of the *Financial Management Act 2006*.

OUTCOMES, SERVICES AND KEY PERFORMANCE INFORMATION

Relationship to Government Goals

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the agency's services and desired outcomes, and the government goal it contributes to. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Goal	Desired Outcomes	Services
Outcomes-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	WA communities able to prevent, prepare for and recover from emergencies.	1. Prevention and Mitigation Services
	The impact of emergencies is minimised through the delivery of appropriate emergency response.	2. Emergency Services

Service Summary

Expense	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
1. Prevention and Mitigation Services.....	21,493	22,916	24,094	25,002	26,102	27,437	28,805
2. Emergency Services.....	196,576	185,237	187,969	207,999	210,955	219,313	229,617
Total Cost of Services	218,069	208,153	212,063	233,001	237,057	246,750	258,422

Significant Issues Impacting the Agency

- The findings and recommendations of the Victorian Bushfires Royal Commission are expected to significantly impact on future operations.
- The operational service delivery model is being reviewed and evaluated in the context of the changing needs of the community. This includes:
 - planning for increased service and resourcing demands as a result of climate and population change;
 - improved monitoring of Emergency Services Levy (ESL) Capital Infrastructure requirements to manage funding limitations;
 - an increased national focus on improving community resilience to cope with significant natural disasters (wildfires, floods, cyclones, etc);
 - an additional seven Community Fire Managers in 2008-09 to assist Local Government in high risk areas; and
 - development of standard facility footprints for emergency service buildings.
- Legislation is being strengthened as a result of the:
 - ratification of recommendations from the Community Development and Justice Standing Committee's review into fire and emergency services legislation;
 - progression of critical amendments to emergency services and emergency management legislation;
 - drafting of a new Emergency Services Bill;

- prescription of Emergency Management Regulations;
 - formalising the Authority’s role in building approvals within the new Building Act; and
 - impacts and pressures, from a number of significant emergencies, on current building regulations.
- Volunteer recognition and reward programs have been enhanced to address recruitment and retention issues, including:
 - increased leadership training;
 - targeting age and cultural diversity;
 - increasing employer support for volunteers; and
 - a stronger focus on building youth and cadet programs.
 - Technological improvements are being implemented to support improved emergency management arrangements, including:
 - the State Alert (Community Emergency Warning) System to improve community capacity to manage risk;
 - increasing use of Geographical Information Systems and Shared Land Information Platform – Emergency Management technology to support emergency planning during preparedness and response phases;
 - implementation of the Western Australian Emergency Radio Network;
 - upgrades to operational data systems and development of national standards to improve reporting capability and future strategy developments;
 - improved online services, to provide more timely community information and access for stakeholder groups to corporate systems; and
 - implementation of the Emergency Management Extranet to support emergency management committee business planning and annual reporting.
 - Operational capability is being enhanced through:
 - an increase in Full Time Equivalents of 44 in 2008-09 to address firefighter shortages and a further 23 in 2009-10;
 - implementation of dispersed relieving arrangements for career firefighters;
 - upgrade of personal protective clothing to relevant Australian Standards;
 - delivery of capital infrastructure for volunteers through the ESL Grant Scheme; and
 - development of strategies to reduce the number of false Direct Brigade Alarm activations.

Outcomes and Key Effectiveness Indicators ^(a)

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Outcome: Western Australian communities able to prevent, prepare for and recover from emergencies:					
Number of accidental residential fires per 100,000 households ^(c)	73	70	72	70	
Proportion of structural fires confined to object/room of origin ^(d)	67%	68%	70%	68%	
Percentage of special risk plans for hazardous material sites reviewed within specified timeframes ^{(b) (e)}	n/a	n/a	94%	90%	
Outcome: The impact of emergencies is minimised through the delivery of appropriate emergency response:					
Percentage of 000 calls answered within the target timeframe ^{(b) (f)}	n/a	n/a	97%	97%	
Percentage of metropolitan responses by Career Fire and Rescue Services within target timeframes ^{(b) (g)}	n/a	n/a	87%	90%	
Percentage of volunteer Fire and Rescue Service turnouts within target timeframes – HMA roles only ^{(b) (h)}	n/a	n/a	90%	90%	
Percentage of required operational personnel trained in level 2 and level 3 incident management ^(b)	n/a	n/a	n/a	90%	

(a) Further detail in support of the key effectiveness indicators is provided in the agency's Annual Report.
 (b) The Authority has implemented new Key Performance Indicators for which historical data is not available.
 (c) A lower result indicates better performance.
 (d) Target percentage of structural fires contained to object/room of origin is 68 per cent (includes smoke damage).

- (e) Special risk plans document risk mitigation strategies for sites and facilities where emergencies pose a significant impact to the community or environment. Plans should be reviewed every two years.
- (f) Target timeframe for 000 calls to be answered is 20 seconds.
- (g) Target timeframe for Metropolitan responses; from receipt of emergency call to arrival at incident, is 90 per cent within 12 minutes.
- (h) Target timeframe for Volunteer Fire and Rescue turnouts; from notification of brigade to brigade arrival at incident, is 90 per cent within 13.5 minutes.

Services and Key Efficiency Indicators

1: Prevention and Mitigation Services

Provision of prevention services to increase community awareness of human and natural hazards, and involvement in minimising their impact.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 21,493	\$'000 22,916	\$'000 24,094	\$'000 25,002	
Less Income	18,345	19,502	19,742	22,143	
Net Cost of Service ^(a)	3,148	3,414	4,352	2,859	
Employees (Full Time Equivalents) ^(b)	153	158	158	160	
Efficiency Indicators					
Cost of Prevention and Mitigation Services per capita (Western Australia)	n/a	n/a	\$11.01	\$10.99	

- (a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.
- (b) The increase in Full Time Equivalents in 2009-10 reflects the impact on Prevention and Mitigation Services of the opening of the Ellenbrook Fire Station.

2: Emergency Services

Provision of emergency services to enable rapid and effective response to emergency incidents to minimise their impact.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 196,576	\$'000 185,237	\$'000 187,969	\$'000 207,999	1
Less Income	165,729	156,667	156,840	175,916	
Net Cost of Service ^(a)	30,847	28,570	31,129	32,083	
Employees (Full Time Equivalents) ^(b)	1,068	1,100	1,118	1,123	
Efficiency Indicators					
Cost of Emergency Services per capita (Western Australia) ^(c)	n/a	n/a	\$85.97	\$88.91	

- (a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.
- (b) The increase in Full Time Equivalents in 2009-10 reflects the impact on Emergency Services of the opening of Ellenbrook Fire Station, the enhanced capacity within the Volunteer Marine Rescue Service and Urban Search and Rescue and the implementation of the new Direct Brigade Alarm system.
- (c) Rolling average applied to Efficiency Indicator to offset seasonal variations and non-seasonal extreme events.

Explanation of Significant Movements

(Notes)

- The increase in the Total Cost of Services for 2009-10 is largely due to the implementation of a new Direct Brigade Alarm system, the flow on of salary and wage increases, operating costs for the new Ellenbrook Fire Station, additional Volunteer Marine Rescue Service funding and an upgrade of firefighter personal protective clothing.

ASSET INVESTMENT PROGRAM

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
WORKS IN PROGRESS							
Fire and Emergency Vehicles							
CFRS GPA Replacement Program ^(a)	860	400	400	-	-	-	-
CFRS Light Tanker Replacement 2006-13 Program	4,450	1,600	621	650	1,000	350	850
VES Unit Fleet 2007-17 Replacement Program ^(b)	6,750	1,550	880	550	600	600	650
VFRS Light Tanker Replacement 2006-13 Program ^(c)	8,030	2,800	1,385	1,280	1,200	1,650	1,100
Land and Building Works							
CFRS Ellenbrook Fire Station	3,673	473	250	3,200	-	-	-
CFRS Geraldton Fire Station	7,579	6	-	-	-	-	3,173
FESA Emergency Service Centre - Kununurra	3,170	1,710	1,669	1,460	-	-	-
FESA Emergency Services Complex - Cockburn	51,577	6,791	4,000	29,685	15,101	-	-
FESA Volunteer Collocation - Derby	2,830	1,530	1,432	1,300	-	-	-
FESA Volunteer Collocation - Esperance	2,906	1,562	1,344	1,344	-	-	-
VFRS Albany Fire Station	2,911	516	512	2,395	-	-	-
VFRS Geraldton Fire Station	3,547	229	-	-	-	-	1,668
Plant and Equipment Works							
Breathing Apparatus Replacement 2009-14 Program	4,000	800	800	-	800	800	800
Emergency Rescue Equipment 2008-20 Program	9,710	1,400	240	400	400	600	600
FESA ES-CADCOM Project	1,195	1,169	245	26	-	-	-
VFRS Hose Replacement Strategy 2001-10 Program	540	510	134	30	-	-	-
VMRS Communication Network 2003-11 Program ^(d)	805	202	90	324	279	-	-
Western Australia Emergency Radio Network	15,002	12,079	3,502	2,500	423	-	-
COMPLETED WORKS							
Fire and Emergency Vehicles							
CFRS Appliances Eglinton	600	600	142	-	-	-	-
CFRS Appliances Ellenbrook	815	815	815	-	-	-	-
CFRS Heavy Pumper Replacement Program	4,920	4,920	2,082	-	-	-	-
CFRS/VFRS Light Pumper Replacement Program	22,250	22,250	2,546	-	-	-	-
Urban Search and Rescue POD and Carrier	440	440	440	-	-	-	-
Land and Building Works							
CFRS Belmont Fire Station	3,291	3,291	491	-	-	-	-
CFRS Perth Fire Station Relocation	11,140	11,140	813	-	-	-	-
FESA Geraldton Regional Office	1,682	1,682	57	-	-	-	-
FESA Volunteer Collocation - Dalwallinu	1,370	1,370	68	-	-	-	-
Forrestfield Training Centre - Modifications	650	650	554	-	-	-	-
Urban Search and Rescue Training Venue and POD Shed							
VFRS Carnarvon Fire Station	2,320	2,320	1,797	-	-	-	-
VFRS Kalgoorlie Fire Station	675	675	13	-	-	-	-
VFRS Merredin Fire Station	1,500	1,500	525	-	-	-	-
VFRS Station Modifications 2006-08	720	720	590	-	-	-	-
Plant and Equipment Works							
Urban Search and Rescue Equipment	717	717	567	-	-	-	-
VFRS Direct Brigade Alarms Replacement Program	1,026	1,026	200	-	-	-	-
NEW WORKS							
Fire and Emergency Vehicles							
CFRS Appliances Australind	920	-	-	-	-	920	-
CFRS CLP Half Life Refurbishment	600	-	-	-	-	600	-
CFRS Medium Pumper Replacement 2010-18 Program	23,400	-	-	2,875	588	1,687	2,750
VFRS GPA Replacement Program	7,650	-	-	2,300	1,200	420	430
VFRS Appliance - Geraldton	141	-	-	-	-	-	141
VFRS Lancelin 2.4 Replacement Program	440	-	-	-	-	440	-
Land and Building Works							
CFRS Australind Fire Station	7,726	-	-	2,600	-	5,126	-
CFRS Bassendean/Kiara Fire Station	6,736	-	-	1,980	4,756	-	-
CFRS Joondalup Fire Station - Modifications	2,580	-	-	-	-	2,580	-
VFRS Kambalda Fire Station	2,700	-	-	-	-	2,700	-
Plant and Equipment Works							
CFRS Protective Suits Replacement Program	900	-	-	-	-	900	-
Total Cost of Asset Investment Program	238,084	90,083	29,530	54,899	26,347	19,373	12,162

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
FUNDED BY							
Capital Appropriation ^(e)			10	-	-	-	-
Asset Sales			-	-	-	32,100	-
Borrowings			23,558	22,705	16,272	-	-
Internal Funds and Balances ^(f)			5,962	32,194	10,075	(12,727)	12,162

(a) CFRS: Career Fire and Rescue Service.

(b) VES: Volunteer Emergency Services.

(c) VFRS: Volunteer Fire and Rescue Service.

(d) VMRS: Volunteer Marine Rescue Service.

(e) The Authority has a Capital Appropriation of \$32.9 million in 2008-09 and \$27.8 million in 2009-10, which relates to the State's debt reduction strategy.

(f) The negative value for Internal Funds and Balances in 2011-12 reflects the balance of the Asset Sales of \$32.1 million, which will be used to fund capital projects in 2012-13 and 2013-14.

FINANCIAL STATEMENTS**Income Statement***Expenses*

The Income Statement shows an estimated increase in the 2009-10 Total Cost of Services of \$20.9 million (9.9 per cent), when compared to the 2008-09 Estimated Actual. This increase is mainly attributable to:

- United Firefighters Union (UFU) Enterprise Bargaining Agreement (EBA) outcome (\$4.6 million);
- implementation of a new Direct Brigade Alarm system (\$9.6 million);
- operating costs of the new Ellenbrook Fire Station (\$2.7 million);
- upgrade of firefighter personal protective clothing (\$1.8 million); and
- volunteer Marine Rescue Service (\$1.7 million).

These increases were partially offset by the following reductions:

- interest expense reduction resulting from the Government's debt reduction strategy (\$2.1 million); and
- 3% Efficiency Dividends (\$1.0 million).

Income

Total income is estimated to be \$198.1 million for 2009-10. This represents an increase of \$21.5 million (12.2 per cent) compared to the 2008-09 Estimated Actual. The increase is mainly attributable to:

- An increase of \$7.1 million in Sale of Goods and services revenue as a result of the implementation of the new Direct Brigade Alarm system; and
- Regulatory fees and fines (ESL) increases of \$14.2 million associated with the UFU EBA outcome, Ellenbrook Fire Station operations and firefighters personal protective clothing upgrade.

Balance Sheet

The Authority's total net asset position (total equity) is expected to increase by \$16.5 million (6.2 per cent) between the 2008-09 Estimated Actual and the 2009-10 Budget. This reflects a projected increase in total assets of \$15.3 million (4.7 per cent) and a decrease in total liabilities of \$1.3 million (2.2 per cent) over the same period.

The projected movement in assets is mainly attributable to:

- an increase in Property, Plant and Equipment (\$14.4 million), reflecting the asset investment program;
- an increase in other non-current assets primarily reflecting the works in progress on the new Emergency Services Complex in Cockburn (\$29.3 million); and
- an increase in Holding Account receivables for approved future asset replacement (\$3.8 million).

These increases were partially offset by a net decrease in cash assets of \$31.6 million (a reduction in current Cash assets of \$32.3 million partially offset by an increase of \$0.7 million non-cash assets.), primarily due to funds expended on the asset investment program.

The decrease in liabilities (\$1.3 million) is mainly attributable to the estimated reduction in employee provisions as a result of leave management strategies and a reduction in debt levels.

Cashflow Statement

The 2009-10 closing cash assets balance of \$22.4 million represents a decrease of \$31.6 million in comparison to the 2008-09 Estimated Actual. The decrease is mainly attributable to the cash outlays associated with the asset investment program.

INCOME STATEMENT ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(c)	113,782	121,119	124,648	131,738	141,183	143,650	150,313
Grants and subsidies ^(d)	41,250	22,639	22,379	24,349	25,106	24,573	24,511
Supplies and services	28,603	19,217	25,276	32,183	32,434	34,571	35,386
Accommodation	6,754	5,715	5,815	5,967	6,388	6,734	6,871
Depreciation and amortisation	9,528	11,147	11,147	11,911	12,155	12,410	13,171
Other expenses	18,152	28,735	22,798	26,853	19,791	24,812	28,170
TOTAL COST OF SERVICES	218,069	208,572	212,063	233,001	237,057	246,750	258,422
Income							
Sale of goods and services	4,326	3,323	3,862	11,138	11,382	11,527	11,676
Regulatory fees and fines.....	160,939	165,451	165,451	179,691	193,548	198,356	212,577
Grants and subsidies	11,365	3,551	2,675	2,740	2,805	2,863	2,863
Other revenue	7,444	3,844	4,594	4,490	4,386	4,386	5,974
Total Income	184,074	176,169	176,582	198,059	212,121	217,132	233,090
NET COST OF SERVICES	33,995	32,403	35,481	34,942	24,936	29,618	25,332
INCOME FROM STATE GOVERNMENT							
Service appropriations	46,631	27,997	27,665	25,172	25,198	24,675	24,548
Resources received free of charge	1,586	2,745	2,745	2,745	2,745	2,745	2,745
Liabilities assumed by the Treasurer ^(e)	-	419	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	48,217	31,161	30,410	27,917	27,943	27,420	27,293
SURPLUS/(DEFICIENCY) FOR THE PERIOD	14,222	(1,242)	(5,071)	(7,025)	3,007	(2,198)	1,961

- (a) Full audited financial statements are published in the agency's Annual Report.
- (b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.
- (c) The Full Time Equivalents (FTEs) for 2007-08 Actual, 2008-09 Estimated Actual and 2009-10 Estimate are 1,221, 1,276 and 1,283 respectively.
- (d) Refer Details of Controlled Grants and Subsidies table below for further information.
- (e) Following a change in accounting policy, effective from 31 December 2008, notional superannuation will no longer be recognised in the financial statements.

Details of Controlled Grants and Subsidies

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Local Government Emergency Services							
Grants	15,983	17,250	17,250	17,500	17,750	18,075	18,575
Natural Disaster Relief and Recovery Arrangements ^(a)							
Other.....	1,031	3,130	2,620	3,066	3,112	3,249	3,229
Surf Life Saving Western Australia.....	540	559	559	579	599	620	640
Volunteer Marine Rescue Service	1,397	1,700	1,950	3,204	3,645	2,629	2,067
TOTAL	41,250	22,639	22,379	24,349	25,106	24,573	24,511

- (a) Natural Disaster Relief and Recovery Arrangement grants are initially made by the Authority on behalf of the State, and subsequently recouped via the supplementary funding process.

BALANCE SHEET ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	44,000	31,450	52,707	20,424	15,566	22,667	10,495
Restricted cash	15,595	6,245	-	-	-	-	-
Receivables	8,753	7,116	8,567	8,570	8,477	9,284	9,284
Other	9,539	7,163	9,439	9,464	9,464	9,714	9,714
Assets held for sale	-	-	-	-	32,100	-	-
Total current assets	77,887	51,974	70,713	38,458	65,607	41,665	29,493
NON-CURRENT ASSETS							
Holding account receivables	2,355	6,170	6,170	9,985	14,560	19,135	23,710
Property, plant and equipment	197,427	189,631	224,943	239,356	256,909	271,294	278,120
Intangibles	202	394	202	202	202	202	202
Other	32,670	24,643	24,257	53,552	16,651	17,051	17,451
Total non-current assets	232,654	220,838	255,572	303,095	288,322	307,682	319,483
TOTAL ASSETS.....	310,541	272,812	326,285	341,553	353,929	349,347	348,976
CURRENT LIABILITIES							
Employee provisions	10,776	11,506	10,513	9,970	10,104	10,104	10,104
Payables	4,458	4,002	4,166	4,274	2,729	2,479	2,479
Other	37,790	19,555	34,711	8,720	6,566	8,017	10,211
Total current liabilities	53,024	35,063	49,390	22,964	19,399	20,600	22,794
NON-CURRENT LIABILITIES							
Employee provisions	7,624	6,844	7,842	7,834	9,017	9,574	9,574
Borrowings	5,207	15,237	1,356	26,519	39,318	35,176	30,650
Total non-current liabilities	12,831	22,081	9,198	34,353	48,335	44,750	40,224
TOTAL LIABILITIES.....	65,855	57,144	58,588	57,317	67,734	65,350	63,018
EQUITY							
Contributed equity	59,318	81,217	84,688	106,848	106,848	106,848	106,848
Accumulated surplus/(deficit)	37,853	12,388	32,782	25,757	28,764	26,566	28,527
Reserves	147,515	122,063	150,227	151,631	150,583	150,583	150,583
Total equity.....	244,686	215,668	267,697	284,236	286,195	283,997	285,958
TOTAL LIABILITIES AND EQUITY	310,541	272,812	326,285	341,553	353,929	349,347	348,976

(a) Full audited financial statements are published in the agency's Annual Report.

(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

CASHFLOW STATEMENT ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	42,887	24,182	23,850	21,357	20,623	20,100	19,973
Capital appropriation	1,210	32,910	32,910	27,761	-	-	-
Holding account drawdowns	2,650	-	-	-	-	-	-
Net cash provided by State Government.....	46,747	57,092	56,760	49,118	20,623	20,100	19,973
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(116,232)	(120,524)	(124,781)	(132,075)	(141,425)	(142,852)	(150,032)
Grants and subsidies	(41,250)	(22,639)	(22,379)	(24,349)	(25,106)	(24,573)	(24,511)
Supplies and services	(29,686)	(18,579)	(24,374)	(31,243)	(33,206)	(37,547)	(37,435)
Accommodation.....	(6,754)	(5,779)	(5,879)	(6,055)	(8,144)	(8,589)	(8,726)
Other payments	(31,205)	(39,630)	(33,923)	(38,090)	(28,928)	(35,929)	(39,297)
Receipts							
Regulatory fees and fines.....	161,625	165,451	165,451	179,691	193,548	198,356	212,577
Grants and subsidies	10,877	3,551	3,163	2,740	2,805	2,863	2,863
Sale of goods and services	2,552	3,273	3,812	10,988	11,132	11,277	11,426
GST receipts.....	9,825	8,600	8,600	8,600	8,600	8,600	8,600
Other receipts	7,463	4,254	5,004	5,272	5,540	5,540	7,684
Net cash from operating activities.....	(32,785)	(22,022)	(25,306)	(24,521)	(15,184)	(22,854)	(16,851)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(31,313)	(33,337)	(29,530)	(54,899)	(26,347)	(19,373)	(12,162)
Proceeds from sale of non-current assets	116	-	-	-	-	32,100	-
Net cash from investing activities.....	(31,197)	(33,337)	(29,530)	(54,899)	(26,347)	12,727	(12,162)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(2,104)	(34,211)	(34,306)	(29,128)	(1,662)	(2,472)	(2,732)
Proceeds from borrowings	7,619	23,558	26,214	27,867	16,272	-	-
Net cash from financing activities	5,515	(10,653)	(8,092)	(1,261)	14,610	(2,472)	(2,732)
NET INCREASE/(DECREASE) IN CASH HELD	(11,720)	(8,920)	(6,168)	(31,563)	(6,298)	7,501	(11,772)
Cash assets at the beginning of the reporting period	71,815	47,335	60,095	53,927	22,364	16,066	23,567
Cash assets at the end of the reporting period.....	60,095	38,415	53,927	22,364	16,066	23,567	11,795

(a) Full audited financial statements are published in the agency's Annual Report.

(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

**RECONCILIATION RELATING TO MAJOR FUNCTIONAL TRANSFERS
AND ACCOUNTING POLICY CHANGES**

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement.....	218,069	208,572	212,063	233,001	237,057	246,750	258,422
Adjustment for Notional Superannuation.....	-	(419)	-	-	-	-	-
Adjusted Total Cost of Services	218,069	208,153	212,063	233,001	237,057	246,750	258,422

Part 10
Minister for Sport and Recreation; Racing and Gaming;
Minister Assisting the Minister for Health

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000
593	Sport and Recreation			
	– Delivery of Services.....	65,591	53,735	63,453
	– Capital Appropriation	76,897	47	669
	Total	142,488	53,782	64,122
605	Western Australian Sports Centre Trust			
	– Delivery of Services.....	7,845	9,758	8,207
	– Capital Appropriation	100	237	178,770
	Total	7,945	9,995	186,977
615	Racing, Gaming and Liquor			
	– Delivery of Services.....	3,724	2,347	3,749
	– Administered Grants, Subsidies and Other Transfer Payments	72,084	73,309	74,804
	Total	80,308	80,156	83,553
	GRAND TOTAL			
	– Delivery of Services.....	77,160	65,840	75,409
	– Administered Grants, Subsidies and Other Transfer Payments	72,084	73,309	74,804
	– Capital Appropriation	76,997	284	179,439
	Total.....	226,241	139,433	329,652

SPORT AND RECREATION

PART 10 - MINISTER FOR SPORT AND RECREATION; RACING AND GAMING; MINISTER ASSISTING THE MINISTER FOR HEALTH

DIVISION 46

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 76 Net amount appropriated to deliver services	27,370	36,713	31,436	30,592	24,301	24,264	24,787
Item 77 Contribution to Community Sporting and Recreation Facilities Fund	9,700	17,251	10,000	20,000	20,000	20,000	19,151
Amount Authorised by Other Statutes							
- Lotteries Commission Act 1990	12,000	11,424	12,092	12,648	13,053	13,471	13,870
- Salaries and Allowances Act 1975	197	203	207	213	220	226	233
Total appropriations provided to deliver services	49,267	65,591	53,735	63,453	57,574	57,961	58,041
CAPITAL							
Item 154 Capital Appropriation	2,000	76,897	47	669	-	-	-
TOTAL APPROPRIATIONS	51,267	142,488	53,782	64,122	57,574	57,961	58,041
EXPENSES							
Total Cost of Services	58,091	73,547	69,377	67,815	62,089	62,560	62,554
Net Cost of Services ^(a)	38,497	69,779	65,609	63,885	58,104	58,491	58,485
CASH ASSETS ^(b)	16,832	12,464	4,994	4,591	4,090	3,589	3,687

(a) Represents total cost of services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.

(b) As at 30 June each financial year.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2008-09 Budget to Parliament on 8 May 2008 are outlined below.

	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Election Commitments					
Media and Marketing, Advertising and Consultants Savings	(60)	(120)	(120)	(120)	(120)
Community Sporting and Recreation Facilities Fund	2,749	10,849	10,849	10,849	-

	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
3% Efficiency Dividend					
Efficiencies in Camp Operations	(60)	(120)	(120)	(120)	(123)
Housing and Travel.....	(104)	(110)	(110)	(110)	(113)
Regional Programs.....	-	(55)	(55)	(55)	(56)
Corporate Services.....	(61)	(85)	(85)	(85)	(87)
Events Coordination	(35)	(70)	(70)	(70)	(72)
State Sporting Facilities Feasibility Planning	-	(10)	(10)	(10)	(10)
Facilities Consultancy/Planning	-	(51)	(65)	(68)	(70)
Facility Design and Management.....	-	(9)	(9)	(9)	(9)
Leading Edge Forums.....	-	(4)	(4)	(4)	(4)
Publications.....	-	(10)	(10)	(10)	(10)
Sport International Programs.....	(10)	(20)	(20)	(20)	(20)
Research and Development	(15)	(30)	(30)	(30)	(30)
<i>Total Savings</i>	(285)	(574)	(588)	(591)	(604)
Other					
Major Infrastructure Assessment	1,600	500	500	500	500
Contribution to Western Australian Sports Centre Trust for Perth Wildcats Court Hire	-	200	200	-	-

RESOURCE AGREEMENT

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Minister, Accountable Authority and Treasurer under Part 3, Division 5 of the *Financial Management Act 2006*.

OUTCOMES, SERVICES AND KEY PERFORMANCE INFORMATION

Relationship to Government Goals

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the agency's services and desired outcome, and the government goal it contributes to. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Goal	Desired Outcome	Services
Outcomes-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	Enhanced quality of life of Western Australians through their participation and achievement in sport and recreation.	1. Infrastructure and Organisational Development 2. People Development in Sport and Recreation 3. Recreation Camps Management

Service Summary

Expense	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
1. Infrastructure and Organisational Development.....	44,646	61,919	58,393	56,934	50,921	51,091	50,870
2. People Development in Sport and Recreation.....	7,647	7,647	6,155	6,093	6,305	6,505	6,693
3. Recreation Camps Management.....	5,798	3,981	4,829	4,788	4,863	4,964	4,991
Total Cost of Services	58,091	73,547	69,377	67,815	62,089	62,560	62,554

Significant Issues Impacting the Agency

- Health is a significant public expense to the State. One of the most effective measures to improve the health of individuals and to reduce health costs is physical activity, yet an estimated 650,000 Western Australian adults do not undertake sufficient levels of activity to be healthy. The number of children who are overweight and obese has tripled from 1985 to 2003 resulting in many new and costly interventions being initiated and implemented in the public and private sectors. A priority for 2009-10 is to continue coordination in both health and education to encourage adults and children to participate in sufficient levels of physical activity. This includes targeted campaigns such as the 'Act Belong Commit' partnership.
- Increasing antisocial behaviours and violence are a worrying trend in Western Australia. The community is very concerned about safety and security and the growing disconnect from the community by young people. The Department has developed partnerships that offer sport and recreation services and programs that re-engage young people with the community. In 2009-10 programs to promote social inclusion include interventions into Indigenous youth suicide, anti-binge drinking strategies in clubs, building participation in non-traditional sports and camp programs for at-risk youth, in collaboration with the Department for Child Protection. Special programs to engage new Australians with the community will remain a focus.
- Climate change, sustainability and natural resource management are significant challenges to building stronger, healthier, happier and safer communities. The Department has developed a climate change framework for the sport and recreation marketplace, along with impact assessment tools for sport and recreation organisations. In promoting sustainability, the Department will provide active mapping, asset management guides and life-cycle cost guides, as well as offering partnerships with Local Government and professional associations to achieve outcomes which improve state-wide sustainability of sport and recreation infrastructure and issues of public open space. The Department will partner water agencies to develop new concepts for water use and efficiency in both aquatic and recreation.
- An overload of governance and management demands on volunteers in sport and recreation affects the sustainability of our exceptional sport and recreation volunteer system. In 2009-10 the Department will offer a range of capacity building initiatives to 104 sporting associations and over 5,000 clubs. This will include coach accreditation, organisational improvement and sustainability programs, scholarships, Indigenous sports programs and a club development officer scheme.
- In metropolitan and regional Western Australia, local, state and Commonwealth governments are increasing their investment in infrastructure. Effective investments in sport and recreation facilities remain both an opportunity and a challenge. In 2009-10 the Department will utilise its policy, advisory and management frameworks to guide systematic, planned and sustainable investment. Frameworks include the State Sporting Facilities Infrastructure and the Community Sport and Recreation Facilities Funds, regional services expertise and knowledge and advice in facilities planning and design.

Outcomes and Key Effectiveness Indicators ^(a)

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Outcome: Enhanced quality of life of Western Australians through their participation and achievement in sport and recreation:					
Available grant funds allocated (Sports Lotteries Account and Community Sporting and Recreation Facilities Fund)	97%	100%	100%	100%	
Stakeholders reflecting social policy in their operations	99%	98%	97%	98%	
Satisfaction rating of the agency's consultation advice to clients	95%	85%	90%	95%	
Satisfaction rating of camps management and service delivery	91%	85%	87%	85%	

(a) Further detail in support of the key effectiveness indicators is provided in the agency's Annual Report.

Services and Key Efficiency Indicators**1: Infrastructure and Organisational Development**

Provide industry leadership and support for infrastructure and organisational development, through funding and advice to sport and recreation organisations state-wide including Local Government.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 44,646	\$'000 61,919	\$'000 58,393	\$'000 56,934	
Less Income	12,140	869	347	347	
Net Cost of Service ^(a)	32,506	61,050	58,046	56,587	
Employees (Full Time Equivalents)	82	86	90	90	
Efficiency Indicators					
Average Cost to Manage Grants	\$3,202	\$1,179	\$2,020	\$2,130	
Average Cost of Grants Provided	\$23,672	\$36,732	\$76,438	\$72,170	1
Average cost of Providing Consultancy to Organisations	\$8,645	\$11,640	\$10,636	\$10,855	

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

Explanation of Significant Movements

(Notes)

- 2008-09 Estimated Actual includes one-off grants provided for the return of funds to the Water Corporation (\$10 million) and recoup of expenses for AK Reserve (\$6.8 million). The increase since 2007-08 Actual and 2008-09 Budget is due to a change in methodology for calculating the average cost of grants provided.

2: People Development in Sport and Recreation

Provide information, advice and education support to personnel involved in sport and recreation service delivery (e.g. coaches, officials, local governments, facility and trails managers, administrators and volunteers).

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 7,647	\$'000 7,647	\$'000 6,155	\$'000 6,093	
Less Income.....	4,989	686	806	864	
Net Cost of Service ^(a)	2,658	6,961	5,349	5,229	
Employees (Full Time Equivalents)	38	40	40	40	
Efficiency Indicators					
Average Cost of Providing Services.....	\$745	\$678	\$661	\$677	

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

3: Recreation Camps Management

The Department is responsible for six recreation camps, of which it operates five. Camp Quarunup in Albany is leased to a private operator. The four metropolitan camps offer outdoor recreation programs that are designed to provide experiential learning opportunities to the community and increase physical activity participation in the outdoors.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 5,798	\$'000 3,981	\$'000 4,829	\$'000 4,788	1
Less Income.....	2,465	2,213	2,615	2,719	
Net Cost of Service ^(a)	3,333	1,768	2,214	2,069	
Employees (Full Time Equivalents)	43	28	43	43	2
Efficiency Indicators					
Average Cost per Bed Night.....	\$48	\$39	\$37	\$36	3
Average Cost per Participation.....	\$22	\$17	\$21	\$20	

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

Explanation of Significant Movements

(Notes)

1. The 2008-09 Budget Estimate omitted the full depreciation charge.
2. The number of employees (Full Time Equivalents) has remained consistent between financial years. For the 2008-09 Budget the casual staff employed across the camps were inadvertently excluded resulting in an understatement in the number of employees.
3. In 2009-10, inclusive of notional costs the average cost per bed night is \$52 and the average cost per participation is \$28.

ASSET INVESTMENT PROGRAM

The allocation of funding for computer hardware/software (\$400,000), office equipment replacement (\$170,000) and regional information access (\$135,000) relate to the ongoing replacement of network hardware and software consistent with industry standards and to ensure that regional offices continue to have access to a contemporary communications environment.

Camps program equipment and bed replacement programs (\$255,000) are on target to meet procurement timeframes.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
COMPLETED WORKS							
Bed Replacement -2008-09 Program	20	20	20	-	-	-	-
Computer Hardware and Software - 2008-09 Program.....	272	272	272	-	-	-	-
Office Equipment Replacement - 2008-09 Program.....	34	34	34	-	-	-	-
Program Equipment - 2008-09 Program	75	75	75	-	-	-	-
NEW WORKS							
Camps Plant and Equipment ongoing Replacement							
2009-10 Program	255	-	-	255	-	-	-
2010-11 Program	45	-	-	-	45	-	-
2011-12 Program	65	-	-	-	-	65	-
2012-13 Program	45	-	-	-	-	-	45
Computer Hardware and Software							
2009-10 Program	400	-	-	400	-	-	-
2010-11 Program	322	-	-	-	322	-	-
2011-12 Program	330	-	-	-	-	330	-
2012-13 Program	322	-	-	-	-	-	322
Office Equipment Replacement							
2009-10 Program	170	-	-	170	-	-	-
2010-11 Program	111	-	-	-	111	-	-
2011-12 Program	114	-	-	-	-	114	-
2012-13 Program	111	-	-	-	-	-	111
Program Equipment							
2009-10 Program	95	-	-	95	-	-	-
2010-11 Program	95	-	-	-	95	-	-
2011-12 Program	95	-	-	-	-	95	-
2012-13 Program	95	-	-	-	-	-	95
Regional Information Access							
2009-10 Program	135	-	-	135	-	-	-
2010-11 Program	150	-	-	-	150	-	-
2011-12 Program	154	-	-	-	-	154	-
2012-13 Program	150	-	-	-	-	-	150
Total Cost of Asset Investment Program	3,660	401	401	1,055	723	758	723
FUNDED BY							
Capital Appropriation			47	669	-	-	-
Drawdowns from the Holding Account			354	386	723	758	723

FINANCIAL STATEMENTS**Income Statement***Income*

The increase in service appropriation between 2008-09 Estimated Actual and the 2009-10 Budget mainly reflects the repositioning of the cashflow for funds provided under the Community Sporting Recreation Facilities Fund.

The deficit in 2008-09 Estimated Actual mainly reflects the return of funds (\$10 million) held in cash at the end of 2007-08 to the Water Corporation.

Balance Sheet

The reduction in equity between the 2008-09 Budget and the 2008-09 Estimated Actual mainly reflects the deferral of the Major Stadium asset investment project.

The reduction in cash assets between 2007-08 Actual and 2008-09 Estimated Actual mainly reflects the return of funds (\$10 million) to the Water Corporation from the Logue Brook Trust Account.

Cashflow Statement

The reduction in Capital Appropriation between 2008-09 Budget and 2008-09 Estimated Actual reflects the deferral of the Major Stadium project. The reduction in cash between 2007-08 Actual and 2008-09 Estimated Actual reflects the return of funds to the Water Corporation (\$10 million) from the Logue Brook Trust Account.

INCOME STATEMENT ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(c)	12,860	12,183	13,227	12,951	13,165	13,463	14,079
Grants and subsidies ^(d)	29,897	53,383	47,468	47,055	40,668	41,023	40,573
Supplies and services	11,968	4,350	4,881	4,146	4,272	4,472	4,311
Accommodation	1,278	1,161	1,143	1,244	1,299	1,301	1,300
Depreciation and amortisation	1,509	1,192	1,192	1,260	1,300	1,300	1,300
Other expenses	579	1,278	1,466	1,159	1,385	1,001	991
TOTAL COST OF SERVICES	58,091	73,547	69,377	67,815	62,089	62,560	62,554
Income							
Sale of goods and services	2,715	2,615	2,615	2,719	2,774	2,858	2,858
Grants and subsidies	12,301	1,078	1,078	1,136	1,136	1,136	1,136
Other revenue	4,578	75	75	75	75	75	75
Total Income	19,594	3,768	3,768	3,930	3,985	4,069	4,069
NET COST OF SERVICES	38,497	69,779	65,609	63,885	58,104	58,491	58,485
INCOME FROM STATE GOVERNMENT							
Service appropriations	49,267	65,591	53,735	63,453	57,574	57,961	58,041
Resources received free of charge	47	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	49,314	65,591	53,735	63,453	57,574	57,961	58,041
SURPLUS/(DEFICIENCY) FOR THE PERIOD	10,817	(4,188)	(11,874)	(432)	(530)	(530)	(444)
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	10,817	(4,188)	(11,874)	(432)	(530)	(530)	(444)

- (a) Full audited financial statements are published in the agency's Annual Report.
 (b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.
 (c) The Full Time Equivalents (FTEs) for 2007-08 Actual, 2008-09 Estimated Actual and 2009-10 Estimate are 163, 173 and 173 respectively.
 (d) Refer Details of Controlled Grants and Subsidies table below for further information.

Details of Controlled Grants and Subsidies

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Commonwealth Grants	335	335	335	335	335	335	335
Community Sporting and Recreational Facilities Fund	12,295	17,251	10,000	20,000	20,000	20,000	19,151
Logue Brook Recreation Offset Trust Account ..	-	3,300	10,000	-	-	-	-
Sports Financial Grants	6,377	21,073	15,041	14,072	7,280	7,217	7,217
Sports Lotteries Account	10,890	11,424	12,092	12,648	13,053	13,471	13,870
TOTAL	29,897	53,383	47,468	47,055	40,668	41,023	40,573

BALANCE SHEET ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	1,072	7,052	692	692	692	391	489
Restricted cash	15,645	5,338	4,187	3,784	3,283	3,083	3,083
Holding account receivables	354	386	386	723	758	723	758
Receivables	5,539	1,046	5,539	5,539	5,539	5,539	5,539
Other	1,222	5	1,222	1,222	1,222	1,257	680
Total current assets	23,832	13,827	12,026	11,960	11,494	10,993	10,549
NON-CURRENT ASSETS							
Holding account receivables	2,597	3,403	3,403	3,940	4,482	5,024	5,601
Property, plant and equipment	40,533	22,537	39,742	39,479	38,760	38,194	37,617
Restricted cash	115	74	115	115	115	115	115
Other	-	79,601	-	58	200	224	224
Total non-current assets	43,245	105,615	43,260	43,592	43,557	43,557	43,557
TOTAL ASSETS.....	67,077	119,442	55,286	55,552	55,051	54,550	54,106
CURRENT LIABILITIES							
Employee provisions.....	1,178	1,065	1,180	1,180	1,180	1,180	1,230
Payables	4,149	2,274	4,154	4,154	4,154	4,154	4,154
Other.....	613	371	642	671	700	729	679
Total current liabilities.....	5,940	3,710	5,976	6,005	6,034	6,063	6,063
NON-CURRENT LIABILITIES							
Employee provisions.....	834	841	834	834	834	834	834
Total non-current liabilities	834	841	834	834	834	834	834
TOTAL LIABILITIES.....	6,774	4,551	6,810	6,839	6,868	6,897	6,897
EQUITY							
Contributed equity	24,020	100,917	24,067	24,736	24,736	24,736	24,736
Accumulated surplus/(deficit)	18,044	13,333	6,170	5,738	5,208	4,678	4,234
Reserves	18,239	641	18,239	18,239	18,239	18,239	18,239
Total equity.....	60,303	114,891	48,476	48,713	48,183	47,653	47,209
TOTAL LIABILITIES AND EQUITY.....	67,077	119,442	55,286	55,552	55,051	54,550	54,106

(a) Full audited financial statements are published in the agency's Annual Report.

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CASHFLOW STATEMENT ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	48,099	64,399	52,543	62,193	56,274	56,661	56,741
Capital appropriation	2,000	76,897	47	669	-	-	-
Holding account drawdowns	341	354	354	386	723	758	723
Net cash provided by State Government.....	50,440	141,650	52,944	63,248	56,997	57,419	57,464
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(12,774)	(12,152)	(13,196)	(12,891)	(13,174)	(13,472)	(14,022)
Grants and subsidies	(27,394)	(53,383)	(47,468)	(47,055)	(40,668)	(41,023)	(40,573)
Supplies and services	(13,502)	(4,345)	(4,876)	(4,177)	(4,315)	(4,515)	(3,061)
Accommodation.....	(1,247)	(1,161)	(1,143)	(1,244)	(1,299)	(1,301)	(1,300)
Other payments	(5,299)	(3,352)	(3,540)	(3,233)	(3,378)	(2,994)	(4,129)
Receipts							
Grants and subsidies	12,159	1,078	1,078	1,136	1,136	1,136	1,136
Sale of goods and services	2,528	2,615	2,615	2,719	2,774	2,858	2,858
GST receipts.....	4,899	2,074	2,074	2,074	2,074	2,074	2,074
Other receipts	1,595	75	75	75	75	75	374
Net cash from operating activities.....	(39,035)	(68,551)	(64,381)	(62,596)	(56,775)	(57,162)	(56,643)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(1,183)	(77,251)	(401)	(1,055)	(723)	(758)	(723)
Net cash from investing activities.....	(1,183)	(77,251)	(401)	(1,055)	(723)	(758)	(723)
NET INCREASE/(DECREASE) IN CASH HELD							
	10,222	(4,152)	(11,838)	(403)	(501)	(501)	98
Cash assets at the beginning of the reporting period	6,610	16,616	16,832	4,994	4,591	4,090	3,589
Cash assets at the end of the reporting period.....	16,832	12,464	4,994	4,591	4,090	3,589	3,687

(a) Full audited financial statements are published in the agency's Annual Report.

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AGENCY SPECIAL PURPOSE ACCOUNT DETAILS**Community Sporting and Recreation Facilities Special Purpose Account**

The Fund holds moneys appropriated for the purpose of making grants for the development of public sporting and recreation facilities and for the management and administration of those grants.

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000
Opening Balance.....	2,102	2,402	966	966
Receipts:				
Appropriations	9,700	14,751	10,000	20,000
	11,802	17,153	10,966	20,966
Payments	10,836	14,751	10,000	20,000
CLOSING BALANCE	966	2,402	966	966

Sports Lotteries Special Purpose Account

The purpose of the Account is to hold moneys received, pursuant to section 22(2)(c) and 22(3) of the Lotteries Commission Act, to be applied in such proportions and among such bodies engaged in the conduct of sport in the State.

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000
Opening Balance.....	4,085	4,085	4,387	3,876
Receipts:				
Appropriations	12,000	11,424	12,092	12,648
	16,085	15,509	16,479	16,524
Payments	11,698	11,424	12,603	13,177
CLOSING BALANCE	4,387	4,085	3,876	3,347

Logue Brook Recreation Offset Trust Account

To fund the identification and re-establishment (and associated administration costs) of recreation amenities, where practical, within the localities of nearby dams and inland bodies, following cessation of recreational access to Logue Brook.

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000
Opening Balance.....	-	10,000	10,000	-
Receipts:				
Other.....	10,000	-	-	-
	10,000	10,000	10,000	-
Payments	-	3,300	10,000	-
CLOSING BALANCE	10,000	6,700	-	-

NET APPROPRIATION DETERMINATION

A determination by the Treasurer, pursuant to Section 23 of the *Financial Management Act 2006*, provides for the retention of the following cash receipts by the Department:

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000
GST Input Credits	3,172	1,584	1,619	1,619
GST Receipts on Sales	1,727	490	455	455
Other Receipts	11,595	75	75	75
Proceeds from the Provision of Sport Development Services to Industry Bodies	1,291	278	272	272
Proceeds from the Provision of Sport Participation Services to the Commonwealth	868	800	806	864
Revenue received for Provision of Accommodation and Recreation Programs	2,528	2,615	2,615	2,719
TOTAL	21,181	5,842	5,842	6,004

The moneys received and retained are to be applied to the Department's services as specified in the Budget Statements.

WESTERN AUSTRALIAN SPORTS CENTRE TRUST

PART 10 - MINISTER FOR SPORT AND RECREATION; RACING AND GAMING; MINISTER ASSISTING THE MINISTER FOR HEALTH

DIVISION 47

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 78 Net amount appropriated to deliver services	8,681	7,845	9,758	8,207	11,889	10,532	8,180
Total appropriations provided to deliver services	8,681	7,845	9,758	8,207	11,889	10,532	8,180
CAPITAL							
Item 155 Capital Appropriation.....	85	100	237	178,770	45,408	6,621	-
TOTAL APPROPRIATIONS	8,766	7,945	9,995	186,977	57,297	17,153	8,180
EXPENSES							
Total Cost of Services.....	25,532	26,086	28,038	28,122	31,204	35,888	39,109
Net Cost of Services ^(a)	8,559	7,845	9,797	8,207	11,889	16,093	19,303
CASH ASSETS ^(b)	513	484	274	2,829	264	264	264

- (a) Represents total cost of services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (b) As at 30 June each financial year.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2008-09 Budget to Parliament on 8 May 2008 are outlined below.

	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
3% Efficiency Dividend					
Cessation of Service After Activity Based Costing Review	(234)	(234)	(234)	(234)	(234)
Cessation of Supply/Activity	(81)	(81)	(81)	(81)	(81)
Energy Efficiency Initiatives	(12)	(12)	(12)	(12)	(12)
Improvement in Business Operations.....	(8)	(260)	(273)	(291)	(278)
Reduction in Business Services	-	(54)	(54)	(54)	(54)
Employment Initiatives.....	-	(46)	(46)	(46)	(46)
Total Savings.....	(335)	(687)	(700)	(718)	(705)

RESOURCE AGREEMENT

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Minister, Accountable Authority and Treasurer under Part 3, Division 5 of the *Financial Management Act 2006*.

OUTCOMES, SERVICES AND KEY PERFORMANCE INFORMATION

Relationship to Government Goals

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the agency's services and desired outcomes, and the government goal it contributes to. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Goal	Desired Outcomes	Services
Outcomes-Based Service Delivery:	Provision of facilities for elite sports training and competition.	1. Management of Elite Sport Facilities
Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	Provision of facilities for community sport, entertainment and recreation.	2. Management of Community Sport, Entertainment and Recreation Facilities

Service Summary

Expense	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
1. Management of Elite Sport Facilities	10,199	11,034	11,804	11,535	12,289	13,394	14,140
2. Management of Community Sport, Entertainment and Recreation Facilities	15,333	15,052	16,234	16,587	18,915	22,494	24,969
Total Cost of Services	25,532	26,086	28,038	28,122	31,204	35,888	39,109

Significant Issues Impacting the Agency

- In 2008-09 the Trust commenced operational planning for the Perth Arena prior to its opening. The State Government has provided \$483.0 million for the Perth Arena project, which will have a capacity of 14,000 people. Construction of the Arena is expected to be completed in 2011. This quality mid-sized venue will attract and accommodate a variety of entertainment events such as international performing artists, family shows, tennis, basketball, netball and production spectacles. Concert promoters have stated that a venue such as this is essential for Western Australia to continue attracting international touring acts and events. The stakeholders consulted are eager to support the new venue, which is expected to service the need of both event organisers and the people of Western Australia for decades to come.
- To ensure the effective management of the Perth Arena project through the transition from delivery to commissioning and operation, the Trust has assumed client agency status, budget responsibility and overall project completion and governance responsibility for this facility.
- Sports stadia have become identifiable gathering places for the community as well as symbols of contemporary culture. Major sporting stadiums provide the opportunity to showcase government policy regarding sustainability and sensitive environmental developments. The significant investment in major sporting facilities is coming to fruition. The Trust is experiencing a significant period of growth and the imminent completion of the Western Australian Athletics Stadium and State Basketball Centre adjacent to Challenge Stadium has presented an opportunity for integrated management practices in the precinct to be adopted.

- There are ongoing community demands for improved sports facilities at all levels. Sport and recreation infrastructure in general is ageing, resulting in an increasing need for refurbishment or replacement over the coming years. Additionally, the historical escalation in construction costs state-wide has implications for new facility provision and facility maintenance.
- Competition for the right to host national and international events remains strong. National and International Federations have very detailed technical specifications regarding the size, layout and requirements of their particular sport's venue and sites, including training and warm-up areas. An analysis of venue compliance for targeted sports will be undertaken.
- The Trust must ensure that State owned sporting, recreation and entertainment venues are utilised to the best of their capacity whilst ensuring an appropriate balance across its business mix of elite, community and commercial clients. The decline in consumer confidence and spending as a result of the global economic downturn is expected to have an adverse impact on the operations of the Trust as the majority of its products and services fall in the category of discretionary expenditure. The relative weakness of the Australian dollar is also expected to negatively impact on the number of international musical acts touring.
- In 2008-09, the Trust:
 - continued the provision of venues that were used as elite training and competition facilities for swimming, waterpolo, basketball, cycling, gymnastics, volleyball, netball, athletics, hockey, soccer, basketball, softball, rowing and canoeing;
 - hosted the Wildcats National Basketball League home fixtures at Challenge Stadium;
 - hosted the Trans Tasman Netball Championships fixtures at Challenge Stadium;
 - hosted the National Karate Championships 2008 at Arena Joondalup;
 - hosted the Joondalup Falcons Football Club home games at Arena Joondalup; and
 - completed the development of a comprehensive Strategic Plan that provides a clear strategic focus for the Trust and its involvement in venues.

Outcomes and Key Effectiveness Indicators ^(a)

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Outcome: Provision of facilities for elite sports training and competition:					
Customer satisfaction of participants of elite sports training facilities.....	82%	81%	81%	80%	
Outcome: Provision of facilities for community sport, entertainment and recreation:					
Customer satisfaction at Challenge Stadium.....	82%	82%	82%	80%	
Customer satisfaction at Arena Joondalup.....	86%	84%	84%	82%	
Customer satisfaction at SpeedDome.....	82%	84%	84%	82%	

(a) Further detail in support of the key effectiveness indicators is provided in the agency's Annual Report.

Services and Key Efficiency Indicators

1: Management of Elite Sport Facilities

Manage and maintain facilities of an international level for elite sport programs.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 10,199	\$'000 11,034	\$'000 11,804	\$'000 11,535	
Less Income.....	978	1,211	1,211	1,274	
Net Cost of Service ^(a)	9,221	9,823	10,593	10,261	
Employees (Full Time Equivalents)	106	106	107	108	
Efficiency Indicators					
Average Cost per Hour of Providing Elite Training and Competition	\$340	\$306	\$340	\$340	1

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

Explanation of Significant Movements

(Notes)

- The cost per hour increase can be directly attributed to the following factors:
 - an upward revision of the value of the Trust's assets resulted in a corresponding increase to depreciation expense;
 - the number of elite hours available in 2007-08 was reduced by approximately 6,500 hours due to the major refurbishment of pools at Challenge Stadium impacting on operations for approximately six months;
 - Swimming WA reduced their competition hours by 30 per cent in 2007-08; and
 - in 2007-08 a review was conducted of the method used to calculate elite training and competition hours resulting in a reduction in total hours being reported. As a result, caution should be exercised when making any direct comparisons against 2007-08 Actuals.

2: Management of Community Sport, Entertainment and Recreation Facilities

Manage and market facilities which encourage community sport, entertainment and recreation to maximise utilisation, revenue and reduce net operating cost.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 15,333	\$'000 15,052	\$'000 16,234	\$'000 16,587	
Less Income.....	15,995	17,030	17,030	18,641	
Net Cost of Service ^(a)	(662)	(1,978)	(796)	(2,054)	
Employees (Full Time Equivalents)	106	106	110	114	
Efficiency Indicators					
Average Cost per Patron Visit to Challenge Stadium	\$8.01	\$10.40	\$8.00	\$8.00	1
Average Cost per Patron Visit to Arena Joondalup	\$6.11	\$10.50	\$6.10	\$6.10	1

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

Explanation of Significant Movements

(Notes)

1. The decrease in cost per patron visit to Challenge Stadium and Arena Joondalup as compared to the 2008-09 budget is reflective of the practice of maintaining cost per patron expense at the major venues each year. These targets should have been modified to reflect the expense impact of the Government's decision to remove the Capital User Charge.

ASSET INVESTMENT PROGRAM

The Trust has seen a major increase in its asset investment program. As highlighted in the significant issues section of these budget papers, in 2008-09 the Trust assumed client agency status, budget responsibility and overall project completion and governance responsibility for the Perth Arena complex. The new 14,000 person capacity Perth Arena complex is expected to be completed in 2011 and will hold a variety of entertainment events such as international performing artists, family shows, tennis, basketball, netball and production spectaculars.

The remainder of the asset investment program is concerned with the ongoing capital maintenance and asset replacement requirements associated with the Trust's three primary venues.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
WORKS IN PROGRESS							
Perth Arena	466,316	233,572	147,137	178,670	47,713	6,361	-
COMPLETED WORKS							
2008-09 Capital Upgrades and Maintenance							
Arena Joondalup	567	567	567	-	-	-	-
Challenge Stadium	1,520	1,520	1,520	-	-	-	-
Midvale SpeedDome	90	90	90	-	-	-	-
NEW WORKS							
2009-10 Capital Upgrades and Maintenance							
Arena Joondalup	567	-	-	567	-	-	-
Challenge Stadium	1,070	-	-	1,070	-	-	-
Midvale SpeedDome	90	-	-	90	-	-	-
2010-11 Capital Upgrades and Maintenance							
Arena Joondalup	695	-	-	-	695	-	-
Challenge Stadium	1,003	-	-	-	1,003	-	-
Midvale SpeedDome	116	-	-	-	116	-	-
2011-12 Capital Upgrades and Maintenance							
Arena Joondalup	745	-	-	-	-	745	-
Challenge Stadium	1,035	-	-	-	-	1,035	-
Midvale SpeedDome	125	-	-	-	-	125	-
2012-13 Capital Upgrades and Maintenance							
Arena Joondalup	745	-	-	-	-	-	745
Challenge Stadium	1,035	-	-	-	-	-	1,035
Midvale SpeedDome	125	-	-	-	-	-	125
Total Cost of Asset Investment Program	475,844	235,749	149,314	180,397	49,527	8,266	1,905
FUNDED BY							
Capital Appropriation ^(a)			147,237	178,770	45,408	6,621	-
Drawdowns from the Holding Account			2,077	1,627	1,554	1,645	1,905
Internal Funds and Balances			-	-	2,565	-	-

- (a) The Trust was granted client status of the Perth Arena through a Cabinet decision on 14 April 2009. This resulted in the transfer of the project from the Department of Treasury and Finance (DTF) to the Trust. The capital appropriation will be provided to and expended in 2008-09 by the DTF, rather than the Trust.

FINANCIAL STATEMENTS

Income Statement

Expenses

The Trust's Total Cost of Services exhibits an upward trend over the Forward Estimates. This trend results from an:

- additional operational expenditure of \$9.1 million associated with assuming client agency status, budget responsibility and overall project completion and governance responsibility for the Perth Arena complex; and
- additional depreciation in 2011-12 (\$5.5 million) and 2012-13 (\$11.1 million) related to the commissioning of the Perth Arena complex in 2011-12.

Income

Total income is expected to show a steady increase over 2009-10 and the Forward Estimates largely due to the Trust aligning its fees and charges policies to more accurately reflect the costs associated with providing services and the Trust's ongoing objective to ensure that activities and events undertaken by the Trust are financially sound.

Balance Sheet

The Trust's total net assets position (total equity) is expected to increase by \$511.8 million between the 2008-09 Estimated Actual and the 2012-13 Forward Estimate. This increase reflects growth in the Trust's asset base associated with:

- transfer of ownership status, budget responsibility and overall project completion and governance responsibility for the Perth Arena complex in 2009-10. This will increase the asset base of the Trust by \$466.3 million over the Forward Estimates;
- increases of \$42.9 million in the valuations associated with replacement of the Trust's various buildings; and
- a one-off cash injection of \$2.5 million that relates to unspent cash balances associated with the Perth Arena complex transfer in 2009-10.

Cashflow Statement

Increases in Capital and Service appropriations of \$230.3 million and \$9.1 million respectively over the Forward Estimates relate to the transfer of the Perth Arena project to the Trust.

The Trust's cash assets balance will increase by \$2.5 million in 2009-10 resulting from a one off cash injection associated with the transfer of the Perth Arena complex to the Trust.

INCOME STATEMENT ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(c)	11,535	10,216	10,505	11,553	14,081	12,527	10,771
Supplies and services	4,143	3,237	3,332	3,374	3,374	3,438	3,451
Accommodation	2,214	1,240	1,241	1,406	1,493	1,493	1,358
Depreciation and amortisation	4,174	3,206	3,206	3,206	3,206	8,767	14,606
Administration	346	5,258	6,825	5,524	5,910	6,467	5,654
Other expenses	3,120	2,929	2,929	3,059	3,140	3,196	3,269
TOTAL COST OF SERVICES	25,532	26,086	28,038	28,122	31,204	35,888	39,109
Income							
Sale of goods and services	13,961	15,951	15,951	16,322	16,577	17,156	17,167
Grants and subsidies	403	400	400	568	568	400	400
Other revenue	2,609	1,890	1,890	3,025	2,170	2,239	2,239
Total Income	16,973	18,241	18,241	19,915	19,315	19,795	19,806
NET COST OF SERVICES	8,559	7,845	9,797	8,207	11,889	16,093	19,303
INCOME FROM STATE GOVERNMENT							
Service appropriations	8,681	7,845	9,758	8,207	11,889	10,532	8,180
TOTAL INCOME FROM STATE GOVERNMENT	8,681	7,845	9,758	8,207	11,889	10,532	8,180
SURPLUS/(DEFICIENCY) FOR THE PERIOD	122	-	(39)	-	-	(5,561)	(11,123)
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	122	-	(39)	-	-	(5,561)	(11,123)

(a) Full audited financial statements are published in the agency's Annual Report.

(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

(c) The Full Time Equivalents (FTEs) for 2007-08 Actual, 2008-09 Estimated Actual and 2009-10 Estimate are 212, 217 and 222 respectively.

BALANCE SHEET ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	513	484	274	2,829	264	264	264
Holding account receivables	1,627	1,627	1,627	1,554	1,645	1,905	1,905
Receivables	654	909	654	654	654	654	654
Other.....	405	649	405	405	405	405	405
Total current assets	3,199	3,669	2,960	5,442	2,968	3,228	3,228
NON-CURRENT ASSETS							
Holding account receivables	10,625	12,204	11,754	13,406	14,967	16,268	17,846
Property, plant and equipment	153,945	128,906	165,921	590,367	651,530	666,963	671,379
Total non-current assets	164,570	141,110	177,675	603,773	666,497	683,231	689,225
TOTAL ASSETS.....	167,769	144,779	180,635	609,215	669,465	686,459	692,453
CURRENT LIABILITIES							
Employee provisions.....	911	848	911	911	911	911	911
Payables	1,507	1,280	1,507	1,507	1,507	1,507	1,507
Other.....	2,188	1,782	1,988	1,978	1,978	1,978	1,978
Total current liabilities.....	4,606	3,910	4,406	4,396	4,396	4,396	4,396
NON-CURRENT LIABILITIES							
Employee provisions.....	333	387	333	333	333	333	333
Borrowings.....	551	514	551	551	551	551	551
Other.....	-	413	-	-	-	-	-
Total non-current liabilities	884	1,314	884	884	884	884	884
TOTAL LIABILITIES.....	5,490	5,224	5,290	5,280	5,280	5,280	5,280
EQUITY							
Contributed equity	37,545	5,084	37,782	452,552	497,960	504,581	504,581
Accumulated surplus/(deficit)	47,606	80,918	47,567	47,567	47,567	42,001	30,878
Reserves	77,128	53,553	89,996	103,816	118,658	134,597	151,714
Total equity.....	162,279	139,555	175,345	603,935	664,185	681,179	687,173
TOTAL LIABILITIES AND EQUITY	167,769	144,779	180,635	609,215	669,465	686,459	692,453

(a) Full audited financial statements are published in the agency's Annual Report.

(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

CASHFLOW STATEMENT ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	5,475	4,639	6,552	5,001	8,683	7,326	4,697
Capital appropriation	85	100	237	178,770	45,408	6,621	-
Holding account drawdowns	3,790	1,627	2,077	1,627	1,554	1,645	1,905
Net cash provided by State Government.....	9,350	6,366	8,866	185,398	55,645	15,592	6,602
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(11,480)	(10,216)	(10,505)	(11,553)	(14,081)	(12,527)	(10,771)
Supplies and services	(4,161)	(2,985)	(3,080)	(3,072)	(3,122)	(3,186)	(3,199)
Accommodation.....	(1,915)	(1,240)	(1,231)	(1,262)	(1,331)	(1,358)	(1,358)
Other payments	(5,631)	(9,849)	(11,426)	(10,249)	(10,894)	(11,510)	(10,635)
Receipts							
Grants and subsidies	-	400	400	568	568	400	400
Sale of goods and services	14,098	15,951	15,951	16,322	16,577	17,156	17,167
GST receipts.....	1,720	1,410	1,410	1,410	1,430	1,460	1,460
Other receipts	3,001	1,890	1,890	3,025	2,170	2,239	2,239
Net cash from operating activities.....	(4,368)	(4,639)	(6,591)	(4,811)	(8,683)	(7,326)	(4,697)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(4,740)	(1,727)	(2,314)	(180,397)	(49,527)	(8,266)	(1,905)
Proceeds from sale of non-current assets	11	-	-	-	-	-	-
Net cash from investing activities.....	(4,729)	(1,727)	(2,314)	(180,397)	(49,527)	(8,266)	(1,905)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(424)	(200)	(200)	(200)	-	-	-
Net cash from financing activities	(424)	(200)	(200)	(200)	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	(171)	(200)	(239)	(10)	(2,565)	-	-
Cash assets at the beginning of the reporting period	684	684	513	274	2,829	264	264
Net cash transferred to/from other agencies.....	-	-	-	2,565	-	-	-
Cash assets at the end of the reporting period.....	513	484	274	2,829	264	264	264

(a) Full audited financial statements are published in the agency's Annual Report.

(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

WESTERN AUSTRALIAN INSTITUTE OF SPORT

ASSET INVESTMENT PROGRAM

The asset investment program covers the Institute's upgrade and replacement of capital intensive sport facilities.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
COMPLETED WORKS							
Asset Replacement Program 2008-09	171	171	171	-	-	-	-
NEW WORKS							
Asset Replacement Program 2009-10	180	-	-	180	-	-	-
Asset Replacement Program 2011-12	153	-	-	-	-	153	-
Asset Replacement Program 2012-13	153	-	-	-	-	-	153
Total Cost of Asset Investment Program	657	171	171	180	-	153	153
FUNDED BY							
Internal Funds and Balances			171	180	-	153	153

RACING, GAMING AND LIQUOR

PART 10 - MINISTER FOR SPORT AND RECREATION; RACING AND GAMING; MINISTER ASSISTING THE MINISTER FOR HEALTH

DIVISION 48

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 79 Net amount appropriated to deliver services	3,740	3,552	2,106	3,499	3,533	3,632	3,721
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975	169	172	241	250	260	271	279
Total appropriations provided to deliver services	3,909	3,724	2,347	3,749	3,793	3,903	4,000
ADMINISTERED TRANSACTIONS							
Item 80 Amount provided for Administered Grants, Subsidies and Other Transfer Payments	73,340	72,084	73,309	74,804	77,601	80,360	82,880
Amount Authorised by Other Statutes Liquor Control Act 1988	2,110	4,500	4,500	5,000	5,000	5,000	5,000
TOTAL APPROPRIATIONS	79,359	80,308	80,156	83,553	86,394	89,263	91,880
EXPENSES							
Total Cost of Services.....	9,462	9,220	9,535	9,610	9,654	9,764	9,861
Net Cost of Services ^(a)	4,156	3,883	4,030	3,913	3,957	4,067	4,164
CASH ASSETS ^(b)	2,348	2,200	520	536	552	568	594

- (a) Represents total cost of services (expenses) less retained revenues applied to the agency's services. Reconciliation to the Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (b) As at 30 June each financial year.

MAJOR POLICY DECISIONS

Details of major policy decisions impacting on the Agency's Income Statement since publication of the 2008-09 Budget to Parliament on 8 May 2008 are outlined below.

	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
Election Commitments					
Media and Marketing, Advertising and Consultants Savings	(15)	(30)	(30)	(30)	(30)
3% Efficiency Dividend					
Contract and Temporary Resources Expenses	(73)	(150)	(150)	(152)	(158)
Consultation with Communities	(6)	(14)	(14)	(14)	(15)
Travel Expenses	(30)	(59)	(59)	(60)	(63)
Deferral of Maintenance Costs Related to the Gaming and Liquor Systems	(24)	(49)	(49)	(50)	(52)
Total Savings	(133)	(272)	(272)	(276)	(288)

RESOURCE AGREEMENT

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Minister, Accountable Authority and Treasurer under Part 3, Division 5 of the *Financial Management Act 2006*.

OUTCOMES, SERVICES AND KEY PERFORMANCE INFORMATION

Relationship to Government Goals

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the agency's services and desired outcomes, and the government goal it contributes to. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Goal	Desired Outcome	Services
Outcomes-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	To promote, monitor and enforce responsible and lawful gambling and liquor services in accordance with the legislation.	1. Licensing - Evaluation and Determination of Applications 2. Compliance Audits and Inspections

Service Summary

Expense	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
1. Licensing - Evaluation and Determination of Applications	4,836	4,945	4,767	4,745	4,749	4,799	4,846
2. Compliance Audits and Inspections	4,626	4,275	4,768	4,865	4,905	4,965	5,015
Total Cost of Services	9,462	9,220	9,535	9,610	9,654	9,764	9,861

Significant Issues Impacting the Agency

- Amendments to the *Betting Control Act 1954* and the *Gaming and Wagering Commission Act 1987* are proposed to overcome the current provisions of the *Betting Control Act 1954* relating to the use of Western Australian race fields that were found by the High Court's decision in *Befair Pty Ltd v Western Australia [2008] HCA 11* to be invalid. Amendments will include:
 - authorising/approving the publication and otherwise use of Western Australian race fields, subject to the payment of a product fee and for the provision of information to enhance and promote the integrity of racing;
 - provision for the Gaming and Wagering Commission to charge and collect product fees from domestic and off-shore licensed wagering operators who use Western Australian race fields information;
 - allowing interstate wagering operators to advertise in Western Australia; and
 - repealing the prohibition on betting through the establishment and operation of betting exchanges.
- There is continued interest by communities in remote locations in seeking the assistance of the Director of Liquor Licensing in addressing alcohol-related harm within the local community. For example, in the Kimberley region:
 - restrictions on the sale of takeaway liquor (with an alcohol content of more than six per cent) in individual containers of more than one litre, have been imposed on all licensed premises in areas of the State north of 20° south;
 - conditions prohibiting the sale of packaged liquor with an alcohol content of more than 2.7 per cent at the Crossing Inn Hotel have been extended by the Director of Liquor Licensing; and
 - Wangkatjungka and Oombulgurri Indigenous Communities were declared restricted areas in which it is unlawful to bring in or possess liquor.

- The Department continued to facilitate the Government’s reform of the *Liquor Control Act 1988*, which included:
 - implementing the ‘public interest’ test for the grant of applications;
 - establishing extra offence provisions;
 - promoting the responsible service of alcohol;
 - increasing the penalty for unlawful sale and supply of liquor; and
 - processing applications for small bar licences.
- Further legislative changes are being developed in support of the Government’s reform of the *Liquor Control Act 1988* and the changes proposed by the *Liquor Control Amendment Bill 2009* include:
 - establishing a new licensing regime for approved managers;
 - allowing the licensing authority to declare private premises as restricted residences;
 - increasing police powers to seize and dispose of liquor being unlawfully consumed in parks or reserves;
 - allowing juveniles who have graduated from a hospitality course to continue their employment in licensed premises; and
 - clarifying the licensing authority’s power with respect to granting producer licences.
- The Department will participate in the working group considering amendments to the *Prostitution Act 2000*.
- The Department is finalising a review of the *Gaming and Wagering Commission Act 1987* for consideration by the Government.
- The development and delivery of a citizen-centric integrated web-based licensing system is continuing in line with Government’s strategy for electronic service delivery.
- Increasing awareness through the placement of signage of problem gambling and juveniles associated with gambling in Indigenous communities in and around Fitzroy Crossing.
- The continuation of a joint inspection regime between the Police Licensing Enforcement Division and the Agency’s Compliance Division.
- The ongoing redevelopment of Burswood Entertainment Complex including the extension and refurbishment of the main gaming floor and the approval and installation of new gaming systems.
- Approval, installation and commissioning of a new electronic gaming machine management and information system at Burswood Entertainment Complex. The new system will provide significantly enhanced security, reporting and access to information over existing systems.
- An increased focus on ensuring that licensed bookmakers meet the requirements of legislation in respect of recording and providing information about the non-cash bets that have been accepted through the use of an approved Internet betting system.

Outcomes and Key Effectiveness Indicators ^(a)

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Outcome: To promote, monitor and enforce responsible and lawful gambling and liquor services in accordance with the legislation:					
Licensees/service providers that comply with audit requirements and statutory criteria	96%	97%	97%	97%	

(a) Further detail in support of the key effectiveness indicators is provided in the agency's Annual report.

Services and Key Efficiency Indicators

1: Licensing - Evaluation and Determination of Applications

Receive, process and determine applications in accordance with the legislation.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 4,836	\$'000 4,945	\$'000 4,767	\$'000 4,745	
Less Income.....	3,614	3,448	3,615	3,751	
Net Cost of Service ^(a)	1,222	1,497	1,152	994	
Employees (Full Time Equivalents)	57	52	51	51	
Efficiency Indicators					
Average cost of determining applications	\$345	\$424	\$309	\$305	

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

2: Compliance Audits and Inspections

Perform audits and inspections to verify that the provision of gambling and liquor is conducted in a responsible and lawful manner.

	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget Target	Note
Total Cost of Service ^(a)	\$'000 4,626	\$'000 4,275	\$'000 4,768	\$'000 4,865	
Less Income.....	1,692	1,889	1,890	1,946	
Net Cost of Service ^(a)	2,934	2,386	2,878	2,919	
Employees (Full Time Equivalents)	56	49	50	50	
Efficiency Indicators					
Average cost of conducting inspections	\$386	\$471	\$476	\$485	

(a) May include adjustments for changes in accounting policy and functional responsibilities. In order to make the above table meaningful for comparative purposes a reconciliation identifying the impact of these adjustments has been inserted after the financial statements.

ASSET INVESTMENT PROGRAM

The Agency's 2009-10 asset investment program is for ongoing computer software and hardware replacement.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
WORKS IN PROGRESS							
Computer Hardware and Software - 2008-09 Program	180	130	130	50	-	-	-
COMPLETED WORKS							
Computer Hardware and Software - 2007-08 Program	733	733	255	-	-	-	-
NEW WORKS							
Computer Hardware and Software							
2009-10 Program	30	-	-	30	-	-	-
2010-11 Program	30	-	-	-	30	-	-
2011-12 Program	250	-	-	-	-	250	-
2012-13 Program	150	-	-	-	-	-	150
Total Cost of Asset Investment Program	1,373	863	385	80	30	250	150
FUNDED BY							
Drawdowns from the Holding Account			130	80	30	250	150
Internal Funds and Balances			255	-	-	-	-

FINANCIAL STATEMENTS

Income Statement

Expenses

The Income Statement shows a slight increase in the 2009-10 Total Cost of Services of \$9.6 million (0.6 per cent) when compared to the 2008-09 Estimated Actual. The increase in the expenses was largely offset by the 3% Efficiency Dividend. In addition, there are some reductions in the media and marketing, consultants and advertising expenses for the year 2008-09 and out years.

Income

Total income is estimated to be \$5.7 million for 2009-10. This represents an increase of \$1.9 million (3.5 per cent) compared to the 2008-09 Estimated Actual. This is mainly due to the increases in the liquor fee revenue and recoupment for the services provided to the Racing Penalties Appeals Tribunal, Gaming and Wagering Commission and Commonwealth Government.

Balance Sheet

The Agency's total net asset position (total equity) is expected to be the same as 2008-09 Estimated Actual, due to the achievement of a balanced budget in the year 2009-10. However there is a significant decrease in the cash assets between the 2008-09 Budget and 2008-09 Estimated Actual of \$1.7 million. This is due to the implementation of the State Government's Cash Management Policy.

Cashflow Statement

The 2008-09 Estimated Actual closing cash assets balance of \$0.5 million represents a decrease of \$1.7 million in comparison to the 2008-09 Budget. The decrease has been explained in the note mentioned in the Balance Sheet.

INCOME STATEMENT ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(c)	7,008	6,873	7,285	7,638	7,942	8,255	8,338
Supplies and services	1,122	815	753	694	545	395	402
Accommodation	618	566	566	572	578	594	594
Depreciation and amortisation	214	350	350	320	238	238	238
Other expenses	551	616	581	386	351	282	289
TOTAL COST OF SERVICES	9,513	9,220	9,535	9,610	9,654	9,764	9,861
Income							
Sale of goods and services	3,132	3,480	3,480	3,590	3,590	3,590	3,590
Regulatory fees and fines	2,174	1,850	2,018	2,100	2,100	2,100	2,100
Other revenue	-	7	7	7	7	7	7
Total Income	5,306	5,337	5,505	5,697	5,697	5,697	5,697
NET COST OF SERVICES	4,207	3,883	4,030	3,913	3,957	4,067	4,164
INCOME FROM STATE GOVERNMENT							
Service appropriations	3,909	3,724	2,347	3,749	3,793	3,903	4,000
Resources received free of charge	90	159	159	164	164	164	164
Liabilities assumed by the Treasurer ^(d)	51	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	4,050	3,883	2,506	3,913	3,957	4,067	4,164
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(157)	-	(1,524)	-	-	-	-
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	(157)	-	(1,524)	-	-	-	-

(a) Full audited financial statements are published in the agency's Annual Report.

(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

(c) The Full Time Equivalents (FTEs) for 2007-08 Actual, 2008-09 Estimated Actual and 2009-10 Estimate are 113, 101 and 101 respectively.

(d) Following a change in accounting policy, effective from 31 December 2008, notional superannuation will no longer be recognised in the financial statements.

**BALANCE SHEET ^(a)
(Controlled)**

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	2,283	2,112	439	439	439	439	439
Restricted cash	17	24	17	17	17	17	17
Holding account receivables.....	130	80	80	30	250	150	100
Receivables	225	333	225	225	225	225	225
Other.....	250	10	250	250	250	250	250
Total current assets	2,905	2,559	1,011	961	1,181	1,081	1,031
NON-CURRENT ASSETS							
Holding account receivables.....	1,563	1,833	1,833	2,123	2,111	2,199	2,337
Property, plant and equipment.....	793	435	66	66	6	56	76
Intangibles.....	109	376	871	631	483	445	337
Restricted cash	48	64	64	80	96	112	138
Total non-current assets.....	2,513	2,708	2,834	2,900	2,696	2,812	2,888
TOTAL ASSETS.....	5,418	5,267	3,845	3,861	3,877	3,893	3,919
CURRENT LIABILITIES							
Employee provisions.....	595	225	595	591	607	607	607
Payables	212	62	244	244	244	244	254
Other.....	251	328	156	179	179	179	179
Total current liabilities.....	1,058	615	995	1,014	1,030	1,030	1,040
NON-CURRENT LIABILITIES							
Employee provisions.....	548	650	562	559	559	575	591
Other.....	106	66	106	106	106	106	106
Total non-current liabilities	654	716	668	665	665	681	697
TOTAL LIABILITIES.....	1,712	1,331	1,663	1,679	1,695	1,711	1,737
EQUITY							
Contributed equity	454	454	454	454	454	454	454
Accumulated surplus/(deficit)	3,252	3,482	1,728	1,728	1,728	1,728	1,728
Total equity.....	3,706	3,936	2,182	2,182	2,182	2,182	2,182
TOTAL LIABILITIES AND EQUITY.....	5,418	5,267	3,845	3,861	3,877	3,893	3,919

(a) Full audited financial statements are published in the agency's Annual Report.

(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

CASHFLOW STATEMENT ^(a)
(Controlled)

	2007-08 Actual \$'000	2008-09 Budget ^(b) \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	3,488	3,374	1,997	3,429	3,555	3,665	3,762
Holding account drawdowns	350	130	130	80	30	250	150
Net cash provided by State Government.....	3,838	3,504	2,127	3,509	3,585	3,915	3,912
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(6,610)	(6,857)	(7,366)	(7,614)	(7,911)	(8,086)	(8,171)
Supplies and services	(775)	(815)	(753)	(594)	(469)	(394)	(396)
Accommodation.....	(618)	(566)	(566)	(572)	(578)	(594)	(594)
Other payments	(967)	(637)	(602)	(510)	(458)	(452)	(452)
Receipts							
Regulatory fees and fines.....	2,387	1,850	2,050	2,100	2,100	2,100	2,100
Sale of goods and services	2,722	3,480	3,480	3,590	3,590	3,590	3,590
GST receipts.....	276	180	180	180	180	180	180
Other receipts	-	7	7	7	7	7	7
Net cash from operating activities.....	(3,585)	(3,358)	(3,570)	(3,413)	(3,539)	(3,649)	(3,736)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(498)	(150)	(385)	(80)	(30)	(250)	(150)
Net cash from investing activities.....	(498)	(150)	(385)	(80)	(30)	(250)	(150)
NET INCREASE/(DECREASE) IN CASH HELD	(245)	(4)	(1,828)	16	16	16	26
Cash assets at the beginning of the reporting period	2,593	2,204	2,348	520	536	552	568
Cash assets at the end of the reporting period.....	2,348	2,200	520	536	552	568	594

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(b) The financial statement presentation is in summary form, this is different from previous years. The 2008-09 Budget figures have been recast in the revised format and therefore may differ from those published in the 2008-09 Budget Statements.

**RECONCILIATION RELATING TO MAJOR FUNCTIONAL TRANSFERS
AND ACCOUNTING POLICY CHANGES**

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement.....	9,513	9,220	9,535	9,610	9,654	9,764	9,861
Adjustment for Notional Superannuation.....	(51)	-	-	-	-	-	-
Adjusted Total Cost of Services	9,462	9,220	9,535	9,610	9,654	9,764	9,861

DETAILS OF ADMINISTERED TRANSACTIONS

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
INCOME							
Taxation							
Casino Tax	83,709	81,000	81,000	84,000	87,000	90,000	92,000
Other							
Appropriation.....	75,450	76,584	77,809	79,804	82,601	85,360	87,880
TOTAL INCOME.....	159,159	157,584	158,809	163,804	169,601	175,360	179,880
EXPENSES							
Statutory Authorities							
Grants to Racing and Wagering Western Australia	400	-	825	-	-	-	-
Subsidies and Concessions							
Subsidies to Liquor Merchants and Producers .	2,110	4,500	4,500	5,000	5,000	5,000	5,000
Subsidies to Gambling and Betting Agencies and Bookmakers.....	73,340	72,084	72,084	74,804	77,601	80,360	82,880
Other							
Receipts paid into Consolidated Account.....	83,547	81,000	81,000	84,000	87,000	90,000	92,000
TOTAL EXPENSES.....	159,397	157,584	158,409	163,804	169,601	175,360	179,880

NET APPROPRIATION DETERMINATION

A determination by the Treasurer, pursuant to Section 23 of the *Financial Management Act 2006*, provides for the retention of the following cash receipts by the Agency:

	2007-08 Actual \$'000	2008-09 Budget \$'000	2008-09 Estimated Actual \$'000	2009-10 Budget Estimate \$'000
GST Input Credits	275	155	155	155
GST Receipts on Sales	1	25	25	25
Liquor Fees Receipts	2,387	1,850	2,050	2,100
Other Receipts	-	7	7	7
Provision of Services to the Commonwealth in Respect of Indian Ocean Territories	76	81	81	81
Provision of Services to the Racing and Gaming Industries	2,646	3,399	3,399	3,509
TOTAL	5,385	5,517	5,717	5,877

The moneys received and retained are to be applied to the Agency's services as specified in the Budget Statements.

RACING AND WAGERING WESTERN AUSTRALIA

ASSET INVESTMENT PROGRAM

Asset investments over the forward estimates period will continue to focus on a program of terminal replacements and the ongoing replacement of hardware and software for various production systems together with general business process improvements. Ongoing maintenance and upgrading of selected outlets in the wagering retail network will also occur following on from the recommendations of a detailed retail network review.

In addition, the replacement of the core production system for processing wagering and fixed odds bets, known as the 'bet engine', along with the supporting peripheral systems and communication network devices for the retail outlets, will continue.

These investments are set to modernise customer services by providing improved retail betting facilities and point of sale services, along with new betting products and information services.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
WORKS IN PROGRESS							
Business Systems - Information Technology	15,885	1,964	1,964	1,714	2,207	2,000	2,000
Computer Software - Windows Upgrade Phase 3.....	1,771	472	-	-	263	355	-
New Business Initiatives - Racing	667	545	16	16	17	17	17
New Era Bet Engine	28,224	20,912	9,865	7,312	-	-	-
COMPLETED WORKS							
Club Financial and Related Data	54	54	54	-	-	-	-
Head Office and Retail Outlet Building Improvements	5,185	5,185	50	-	-	-	-
Retail Outlet Upgrades	3,539	3,539	1,000	-	-	-	-
Terminal Replacement – 2008-09 Program	6,000	6,000	6,000	-	-	-	-
NEW WORKS							
Disaster Recovery Works	1,635	-	-	692	-	-	100
Fixed Odds Betting and Microsoft Transaction Server Upgrades	124	-	-	-	124	-	-
Head Office and Retail Outlet Building Improvements.....	350	-	-	50	50	50	50
New Customer Information Terminals.....	3,833	-	-	-	-	-	3,833
Retail Outlet Upgrades	8,700	-	-	1,000	1,000	1,700	1,250
TabOzbet Strategic Review	684	-	-	-	684	-	-
Terminal Replacement – 2009-10 Program	5,000	-	-	5,000	-	-	-
Total Cost of Asset Investment Program	81,651	38,671	18,949	15,784	4,345	4,122	7,250
FUNDED BY							
Internal Funds and Balances			18,949	15,784	4,345	4,122	7,250

WESTERN AUSTRALIAN GREYHOUND RACING AUTHORITY

ASSET INVESTMENT PROGRAM

The program for 2009-10 totals \$410,000 and comprises \$150,000 of minor works and minor plant and equipment replacements at both Cannington and Mandurah racing venues to maintain the comfort and safety of an increasing number of patrons. The remainder is for investigations, site works and preliminary progress towards either a replacement venue or major rebuild of the Cannington raceway as the current lease expires in July 2011.

The 2010-11 Forward Estimate includes a major upgrade of the ageing Mandurah Grandstand, Restaurant and Public areas due to the increased number of race meetings required to support a growing industry and the increasing number of patrons attending each meeting. The size and age of the existing facilities at Mandurah create a situation of health and safety issues and comfort of industry members and public visitors.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
WORKS IN PROGRESS							
New Cannington Facility	958	348	348	260	-	-	350
COMPLETED WORKS							
Information Technology - 2008-09 Program	20	20	20	-	-	-	-
Minor Works - Cannington 2008-09 Program	20	20	20	-	-	-	-
Minor Works - Mandurah 2008-09 Program	20	20	20	-	-	-	-
Plant and Equipment - Cannington 2008-09 Program	50	50	50	-	-	-	-
Plant and Equipment - Mandurah 2008-09 Program	40	40	40	-	-	-	-
NEW WORKS							
Buildings and Improvements - Mandurah Extensions to Grandstand and Restaurant/Public Area	1,662	-	-	-	1,662	-	-
Information Technology							
2009-10 Program	20	-	-	20	-	-	-
2010-11 Program	50	-	-	-	50	-	-
2011-12 Program	121	-	-	-	-	121	-
Minor Works - Cannington							
2009-10 Program	20	-	-	20	-	-	-
2010-11 Program	40	-	-	-	40	-	-
2011-12 Program	40	-	-	-	-	40	-
Minor Works - Mandurah							
2009-10 Program	20	-	-	20	-	-	-
2010-11 Program	25	-	-	-	25	-	-
2011-12 Program	230	-	-	-	-	230	-
Plant and Equipment - Cannington							
2009-10 Program	50	-	-	50	-	-	-
2010-11 Program	50	-	-	-	50	-	-
2011-12 Program	50	-	-	-	-	50	-
2012-13 Program	120	-	-	-	-	-	120
Plant and Equipment - Mandurah							
2009-10 Program	40	-	-	40	-	-	-
2010-11 Program	50	-	-	-	50	-	-
2011-12 Program	200	-	-	-	-	200	-
2012-13 Program	127	-	-	-	-	-	127
Total Cost of Asset Investment Program	4,023	498	498	410	1,877	641	597
FUNDED BY							
Internal Funds and Balances			498	410	1,877	641	597

BURSWOOD PARK BOARD

ASSET INVESTMENT PROGRAM

The Burswood Park Board is responsible for the control and management of Burswood Park under the provisions of the *Parks and Reserves Act 1895*.

The Park consists of 110 hectares of 'C' class reserve surrounding the four major buildings that comprise the Burswood Entertainment Complex. Its improvements include an 18 hole public golf course, parks and gardens and permanent car-parking areas.

The Board's mission is to develop Burswood Park into the premier park of its type in Australia and a key objective is to achieve the highest standards of park maintenance and management. To help achieve this objective the Board has included in the asset investment program irrigation equipment, iron reduction infrastructure and golf course/park infrastructure to provide maximum visitor enjoyment and satisfaction.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-09 \$'000	2008-09 Estimated Expenditure \$'000	2009-10 Estimated Expenditure \$'000	2010-11 Forward Estimate \$'000	2011-12 Forward Estimate \$'000	2012-13 Forward Estimate \$'000
WORKS IN PROGRESS							
Golf Course and Park Infrastructure.....	870	150	150	180	180	180	180
Irrigation Equipment.....	1,450	240	240	300	300	300	310
Lake Iron Reduction Infrastructure	940	140	140	200	200	200	200
Minor Equipment Purchases.....	320	63	63	63	63	63	68
Total Cost of Asset Investment Program	3,580	593	593	743	743	743	758
FUNDED BY							
Internal Funds and Balances.....			593	743	743	743	758

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Agriculture Protection Board of Western Australia..	3	870	Office of the Auditor General	2	507
Albany Port Authority	2	449	Office of the Director of Public Prosecutions	3	734
Animal Resources Authority	1	191	Office of the Information Commissioner	3	749
Armadale Redevelopment Authority	3	646	Office of the Inspector of Custodial Services.....	3	769
Attorney General	3	699	Office of the Public Sector Standards Commissioner.....	1	128
Botanic Gardens and Parks Authority.....	3	901	Parliament	1	47
Broome Port Authority	2	450	Parliamentary Commissioner for Administrative Investigations.....	1	71
Bunbury Port Authority	2	451	Parliamentary Inspector of the Corruption and Crime Commission.....	1	137
Bunbury Water Board.....	3	823	Peel Development Commission	1	320
Burswood	2	627	Perth Market Authority	3	883
Busselton Water Board.....	3	824	Pilbara Development Commission.....	1	296
Chemistry Centre (WA).....	1	215	Planning	3	633
Child Protection.....	3	779	Port Hedland Port Authority	2	458
Commerce	2	516	Premier and Cabinet.....	1	83
Commissioner for Children and Young People	3	743	Public Sector Commission	1	97
Commissioner for Equal Opportunity.....	3	719	Public Transport Authority of Western Australia.....	2	436
Commissioner of Main Roads	2	419	Racing and Wagering Western Australia	2	625
Communities	3	793	Racing, Gaming and Liquor	2	615
Corrective Services.....	3	757	Regional Development and Lands	1	245
Corruption and Crime Commission.....	1	108	Registrar, Western Australian Industrial Relations Commission.....	2	539
Country High School Hostels Authority	2	384	Rottneet Island Authority	2	403
Culture and the Arts.....	3	662	Royalties for Regions – Regional and State-wide Initiatives	1	245
Curriculum Council.....	2	376	Rural Business Development Corporation	3	876
Dampier Port Authority	2	452	Salaries and Allowances Tribunal.....	1	143
Disability Services Commission.....	2	459	Small Business Development Corporation.....	2	530
East Perth Redevelopment Authority	3	648	South West Development Commission.....	1	311
Economic Regulation Authority.....	2	498	Sport and Recreation	2	593
Education and Training	2	347	State Development	1	149
Education Services	2	365	Subiaco Redevelopment Authority	3	650
Environment and Conservation	3	887	Swan River Trust	3	911
Esperance Port Authority.....	2	453	Synergy	3	691
Fire and Emergency Services Authority of Western Australia.....	2	579	TAFE Colleges.....	3	695
Fisheries	1	223	Transport.....	2	407
Forest Products Commission	3	884	Treasury and Finance	2	471
Fremantle Port Authority.....	2	454	Verve Energy	3	692
Gascoyne Development Commission.....	1	304	WA Health	1	161
Geraldton Port Authority	2	457	Water.....	3	807
Gold Corporation.....	1	118	Water Corporation.....	3	821
Goldfields-Esperance Development Commission	1	281	Western Australia Police.....	2	561
Governor's Establishment	1	119	Western Australia Health Promotion Foundation.....	1	190
Great Southern Development Commission	1	273	Western Australian Electoral Commission.....	1	235
Heritage Council of Western Australia.....	3	838	Western Australian Greyhound Racing Authority	2	626
Horizon Power.....	3	689	Western Australian Institute of Sport.....	2	614
Housing Authority	2	547	Western Australian Land Authority	1	330
Independent Market Operator.....	3	688	Western Australian Land Information Authority	1	332
Indigenous Affairs	1	192	Western Australian Meat Industry Authority	3	882
Insurance Commission of Western Australia.....	2	506	Western Australian Planning Commission.....	3	651
Kimberley Development Commission.....	1	289	Western Australian Sports Centre Trust.....	2	605
Law Reform Commission of Western Australia.....	3	728	Western Australian Tourism Commission	2	393
Legal Aid Commission of Western Australia	3	775	Western Australian Treasury Corporation.....	2	515
Local Government.....	3	827	Western Power	3	693
Lotteries Commission.....	1	127	Wheatbelt Development Commission.....	1	265
Metropolitan Cemeteries Board.....	3	837	WorkCover WA Authority.....	2	546
Mid West Development Commission.....	1	255	Zoological Parks Authority	3	921
Midland Redevelopment Authority	3	649			
Mines and Petroleum.....	1	203			
National Trust of Australia (WA).....	3	845			