



2011-12 BUDGET

BUDGET STATEMENTS

Budget Paper No. 2
Volume 2

PRESENTED TO THE LEGISLATIVE ASSEMBLY
ON 19 MAY 2011

2011-12 Budget Statements

(Budget Paper No. 2 Volume 2)

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CHAPTER 3

AGENCY INFORMATION IN SUPPORT OF THE ESTIMATES

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Part 8

Minister for Finance; Commerce; Small Business

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2010-11 Budget \$' 000	2010-11 Estimated Actual \$' 000	2011-12 Budget Estimate \$' 000
439	Finance			
	- Delivery of Services.....	147,184	171,911	184,068
	- Administered Grants, Subsidies and Other Transfer Payments.....	357,482	346,076	264,004
	- Capital Appropriation.....	94,319	97,019	144,068
	Total	598,985	615,006	592,140
457	Commerce			
	- Delivery of Services.....	112,996	112,996	139,978
	- Administered Grants, Subsidies and Other Transfer Payments.....	5	5	-
	- Capital Appropriation.....	425	425	1,888
	Total	113,426	113,426	141,866
470	Small Business Development Corporation			
	- Delivery of Services.....	12,115	12,115	12,277
	- Capital Appropriation.....	78	78	84
	Total	12,193	12,193	12,361
478	Registrar, Western Australian Industrial Relations Commission			
	- Delivery of Services.....	10,728	10,725	11,234
	Total	10,728	10,725	11,234
GRAND TOTAL				
	- Delivery of Services.....	283,023	307,747	347,557
	- Administered Grants, Subsidies and Other Transfer Payments.....	357,487	346,081	264,004
	- Capital Appropriation.....	94,822	97,522	146,040
	Total.....	735,332	751,350	757,601

FINANCE

PART 8 - MINISTER FOR FINANCE; COMMERCE; SMALL BUSINESS

DIVISION 39

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 63 Net amount appropriated to deliver services	126,499	146,234	170,958	183,081	159,420	143,308	141,180
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975.....	920	950	953	987	1,016	1,050	1,078
Total appropriations provided to deliver services	127,419	147,184	171,911	184,068	160,436	144,358	142,258
ADMINISTERED TRANSACTIONS							
Item 64 Amount provided for Administered Grants, Subsidies and Other Transfer Payments	116,425	222,522	243,116	137,644	151,011	165,663	182,218
Amount Authorised by Other Statutes							
- First Home Owners Grant Act 2000.....	325,268	134,960	102,960	126,360	127,760	130,700	132,960
CAPITAL							
Item 136 Capital Appropriation.....	53,618	94,319	97,019	144,068	14,739	10,500	50,102
TOTAL APPROPRIATIONS	612,550	598,985	615,006	592,140	453,946	451,221	507,538
EXPENSES							
Total Cost of Services	2,091,156	1,885,925	1,952,813	1,567,357	1,389,529	1,454,808	1,418,039
Net Cost of Services ^(a)	235,004	176,993	196,203	214,745	193,744	231,554	181,368
CASH ASSETS ^(b)	272,031	61,833	41,611	53,141	48,951	52,100	53,307

(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 SPENDING CHANGES

Details of major decisions impacting on the agency's Income Statement since publication of the 2010-11 Budget to Parliament on 20 May 2010 are outlined below.

	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Corporate Positions for the Department of Finance	-	960	989	1,019	1,049
Delivering Community Services in Partnership Policy	384	3,283	3,397	4,502	5,149
Duty Assessments Valuations	900	-	-	-	-
Government Office Accommodation Master Plan - Depreciation.....	828	8,568	13,578	13,895	13,895
Government Office Accommodation Master Plan - Rent.....	18,806	11,608	-	-	-
Improved Contract Management and Vocational Education	-	1,077	1,122	1,158	1,195
Relocation of the Department of Education	250	1,150	-	-	-
Shared Services	5,900	18,200	23,000	8,900	5,500
Tax Administration Measures	-	1,555	1,601	1,649	1,699
WA Seniors Card (Administered)	-	452	452	495	495

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 goals 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. State Fleet Service
	Due and payable revenue is collected and eligible grants, subsidies and rebates paid.	2. Revenue Assessment and Collection 3. Grants and Subsidies Administration
Results-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	Value for money from public sector procurement.	4. Facilitate the Development and Management of Agency Specific Contracts 5. Development and Management of Whole-of-Government Common Use Contract Arrangements
	Provision of effective shared corporate services.	6. Project Management, Coordination and Implementation of the Whole-of-Government Shared Corporate Services Reform 7. Provision of Financial and Human Resources 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.	8. Leads the Planning and Delivery of New Government Buildings 9. Leads the Planning and Delivery of Government Building Maintenance 10. Leads the Planning and Delivery of Government Office Accommodation

Service Summary

Expense	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
1. State Fleet Service.....	83,036	86,725	93,952	93,164	89,768	89,977	90,188
2. Revenue Assessment and Collection	36,330	39,724	37,416	40,461	41,058	41,836	42,570
3. Grants and Subsidies Administration	3,549	3,929	3,664	3,923	3,981	4,056	4,128
4. Facilitate the Development and Management of Agency Specific Contracts	24,662	28,044	27,417	32,506	33,166	34,812	36,271
5. Development and Management of Whole-of-Government Common Use Contract Arrangements.....	9,321	8,747	9,172	10,987	11,187	11,754	12,265
6. Project Management, Coordination and Implementation of the Whole-of-Government Shared Corporate Services Reform	10,212	13,193	9,335	6,825	6,815	5,329	854
7. Provision of Financial and Human Resources Services	69,357	69,690	79,554	88,825	96,007	101,731	107,751
8. Leads the Planning and Delivery of New Government Buildings	1,342,486	1,210,542	1,214,198	787,362	604,758	657,289	612,062
9. Leads the Planning and Delivery of Government Building Maintenance.....	198,407	201,961	195,374	203,446	208,891	213,668	217,496
10. Leads the Planning and Delivery of Government Office Accommodation	313,796	223,368	282,731	299,858	293,898	294,356	294,454
Total Cost of Services.....	2,091,156	1,885,925	1,952,813	1,567,357	1,389,529	1,454,808	1,418,039

Significant Issues Impacting the Agency

- The separation of the Department of Treasury and Finance into the Department of Treasury and the Department of Finance was approved by the Executive Council on 25 March 2011, with effect from 1 July 2011. A new Department was established and designated the Department of Finance, effective 1 July 2011.
- The Department of Finance will concentrate on revenue administration, management of government building projects and works, government procurement and provision of shared corporate services.
- Government Trading Enterprises (GTEs) - Efficiency Dividend and Umbrella Legislation - an efficiency dividend on the discretionary operational expenditure of GTEs is to be implemented to bring GTEs in line with appropriation-funded agencies that previously implemented an efficiency dividend. The efficiency dividend and other reforms, including the introduction of umbrella legislation to modernise and streamline GTE legislation, will enhance GTE accountability consistent with the recommendations of the Economic Audit Committee. Both Treasury and the Department of Finance will play a lead role in the implementation of these reforms.

Government Procurement

- There continues to be a strong demand from agencies for procurement advice and assistance, particularly with more strategic and complex procurements associated with major projects and business initiatives. Government Procurement will continue to develop its skills and capacity to assist agencies with complex procurement projects.
- As part of its support to agencies, Government Procurement will continue to enhance the skills and experience of its staff as well as enhancing State Government employees' understanding of, and compliance with, government supply policies and requirements. A focus on the education and training of procurement professionals and government officers undertaking purchasing will continue. New initiatives to be implemented include:
 - a certified vocational training program in public sector procurement, covering the entire procurement cycle, will be offered to agencies, addressing a gap in the education services currently provided; and
 - an e-learning tool that will complement existing purchasing policy and awareness programs, and assist in effective and ongoing education for officers in regional Western Australia.
- The Department will continue to support the State Supply Commission in ensuring an appropriate level of procurement governance and that the supply policy framework continues to focus on outcomes and promote efficiencies.

- As part of the Government's change management agenda around delivery of human services, Government Procurement has established a Funding and Contracting Services Unit. This Unit is responsible for the new Delivering Community Services in Partnership Policy and associated procurement reforms. Putting the interests of citizens at the centre of the relationship between Government and the public and community sectors will be the focus of these reforms.

State Revenue

- Efforts continued over the year to improve customer service and reduce red tape, while maintaining the integrity of the State's revenue systems. State Revenue's most recent Customer Perception Survey showed an increase in the satisfaction rating of State Revenue's customers, from 80% in 2009 to 84% in 2010. This was notwithstanding areas of demand pressure including the delivery of the Pay-roll Tax Rebate and Standard Business Reporting initiatives.
- The Pay-roll Tax Rebate took effect on 1 July 2010. The rebate application process significantly increased the volume of work and the number of new Pay-roll Tax registrations received. There were over 6,200 registered Pay-roll Tax clients who received the rebate via a cheque or a debt offset, totalling approximately \$100.0 million.
- On 1 March 2011, new duty lodgement and payment arrangements were introduced. To coincide with the legislative arrangements, State Revenue enhanced its Revenue Online (ROL) system to allow taxpayers to pay duty at settlement, providing their agent is registered to use ROL. To assist with understanding of the new arrangements, over 40 education sessions were conducted in Perth and in regional Western Australia. These sessions covered the legislative amendments and provided hands-on system training for industry professionals. The greater use of ROL will assist State Revenue in dealing with expected increased workloads arising from anticipated improvements in property market transaction levels in 2011-12.
- In July 2010, an online web facility was introduced to facilitate the secure exchange of information between local governments and State Revenue. This information is used to provide around \$70.0 million annually in concessions to pensioners and seniors on local government and water rates and charges. The system has been built to national access and authentication standards, enabling concession claims and supporting documentation to be transmitted securely and processed more efficiently. Efforts to ensure the quality and security of data will continue in 2011-12.
- Work has continued on a major upgrade of State Revenue information technology systems and this is expected to continue for at least two more years. The focus is on replacing outdated technology to ensure the stability and robustness of the Revenue Information Collection System and associated online applications for the foreseeable future.
- Work will continue in 2011-12 in building on the already growing Australia-wide cooperation and data sharing between other State and Commonwealth revenue authorities and other agencies. This work includes ongoing efforts in improving consistency of Pay-roll Tax administration and more coordinated approaches to tax compliance.

Shared Services

- In December 2010, the Premier announced that an independent review of Shared Services would take place. This review, which is being undertaken by the Economic Regulation Authority (ERA), was not completed at the time of finalisation of the Budget Papers.
- Significant volumes of transactions are now being processed through the Shared Service Centre with the value of revenue and expenditure transactions reaching around \$3.5 billion per annum. Approximately 9,500 employees are also paid through the Oracle Payroll System.
- Initiatives for 2011-12 will be subject to the Government's decisions relating to the recommendations of the ERA Review, which is now expected to be delivered to the Government in June 2011.

Building Management and Works

- A Works Reform Program to improve project outcomes (time, cost and quality) for non-residential new buildings, building maintenance and government office accommodation is entering its third year.
- A key aim of the Works Reform Program is to significantly improve the project management and contract management capability and capacity within Building Management and Works (BMW). The emerging demand for the State's resources may present a significant challenge to BMW in the retention of its skilled staff to deliver on its reform program. This applies to BMW staff in Perth as well as in regional centres.

- The Government Office Accommodation Master Plan (Plan) outlines a new 'portfolio' approach for strategically planning, fitting out and managing the Government's office accommodation portfolio. The new approach gives BMW a leadership role in developing and implementing the Plan. A new fit-out standard, together with some decentralisation from the CBD to suburban activity centres, and consolidation into fewer buildings are the key objectives. This new approach has the potential to save as much as \$25.0 million a year by 2015.
- A major step in implementing the Plan is the leasing of a new five-star Green-Star rated office building constructed over the Perth Underground railway station at 140 William Street. The Government has leased 38,676 square metres of this building, which will accommodate approximately 2,500 State Government employees from ten agencies, most of whom will be in place by the end of 2011. The lease for the Governor Stirling Tower at 197 St Georges Terrace expires in mid-2012, and the additional space at 140 William Street, and new space leased at the Optima Centre in Osborne Park, has replaced this at much cheaper rates than the alternative of a new lease in St Georges Terrace.
- A new open-plan approach to office accommodation fit-outs is being implemented as part of the master planning process. The new approach will use contemporary design techniques to create modern, open-plan work environments that are attractive and comfortable for employees, and provide productive and flexible workplaces for agencies. Savings will be achieved by sharing facilities, such as reception and meeting rooms, for all the agencies in a building.
- Also as part of the Plan, two major Government-owned buildings, Dumas House in West Perth and Albert Facey House in Forrest Place, will be refurbished and refitted.
- The \$1.26 billion Building the Education Revolution (BER) program will be finalised in 2011-12. In Western Australia, the Department of Education has managed the planning of the works program in State Government schools, and BMW had led the procurement. The delivery of both school maintenance elements (\$98 million across 773 schools) and high school science and language refurbishment element (\$34 million across 25 schools) were completed in 2010-11. The major component of the program involves over 1,000 new buildings across 671 schools (\$1.1 billion). The majority of these buildings were constructed in 2010-11, with \$170 million being carried over into 2011-12. The BER Implementation Taskforce, appointed by the Commonwealth Government to investigate the BER Program, reported in December 2010 that the Western Australian Government 'ensured each school received useful and relevant projects and implemented the Program with commercial nous and a sharp focus on value for money'. The 2011-12 focus will be on completing delivery of the Primary School sub-program, as well as meeting the Commonwealth's ongoing reporting and national investigation protocols, and completing the financial closeouts and acquittals.
- During 2011-12, BMW will be implementing a range of new procurement frameworks for Building Maintenance. These frameworks will replace the current facilities management and zone contract panels used over the last decade. The new approach will be phased in progressively as existing contracts expire. The procurement framework will support a new, more integrated maintenance planning arrangement now being developed to support the Strategic Asset Management reforms.
- In regional Western Australia, the new BMW integrated approach (with teams located in 13 regional centres) will continue to grow service delivery across goods, services and works. It will also extend its involvement in capital works programs for new buildings.
- The proposed amendments to the *Building Act 1884* and associated legislation may require BMW to develop new procedures to ensure independent certification of compliance with the Building Code of Australia and associated standards. Under the proposed legislation, all new buildings and significant maintenance and minor works will be required to obtain design compliance and occupancy certificates before they can be used. The Crown is currently not bound by current legislation and self-certification of compliance with codes is the current approach.
- The Council of Australian Governments' Infrastructure Working Group is seeking to achieve harmonisation and mutual recognition of States' and Territories' prequalification schemes across both the non-residential building and infrastructure construction sectors. The National Prequalification System for Non-residential Buildings, which commenced in January 2011, allows builders to prequalify to tender on any non-residential building contract over \$50.0 million in any participating State or Territory. The aim of this reform is to simplify and standardise prequalification systems in use throughout Australia by reducing barriers to entry and improving competition. The scheme will be enhanced further during 2011-12.

- BMW will implement a new suite of core business systems as part of its roll-in to the Shared Services eBusiness Centre. This will provide a new, more integrated platform of systems to support the Works Reform Program. The new systems cover project and contract management, building maintenance and repairs, and property and lease management.
- From 1 July 2011, the Strategic Projects business unit will be incorporated into the new Department of Treasury. Strategic Projects' role will remain unchanged: it will continue to oversee planning and delivery of the State's highest risk non-residential building projects. BMW will continue to work closely with Strategic Projects in providing support arrangements for these major projects, and in implementing the Works Reforms.

Outcomes and Key Effectiveness Indicators ^(a)

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Outcome: Sustainable and transparent public sector finances:					
Profitability of the State's light vehicle fleet.....	\$22,225	\$9,743	\$23,238	\$13,581	1
Outcome: Due and payable revenue is collected and eligible grants, subsidies and rebates paid:					
Extent to which due revenue is collected	90%	88%	87%	87%	
Overdue debt as a percentage of revenue raised	1.47%	2.00%	1.63%	1.80%	
Extent to which correct grants, subsidies and rebates are paid	99%	99%	99%	99%	
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.....	92%	85%	85%	85%	
Outcome: Provision of effective 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 1-3 Qtr 2-6 Qtr 3-2 Qtr 4-1	Qtr 1-7 Qtr 2-7 Qtr 3-5 Qtr 4-1	Qtr 1-7 Qtr 2-8 Qtr 3-0 Qtr 4-4	Qtr 1-0 Qtr 2-0 Qtr 3-0 Qtr 4-4	2
- percentage of agencies rolled-in compared to the total number to be rolled-in	45%	67%	65%	70%	
Percentage of services provided within established timeframes.....	86%	90%	100%	100%	
Accuracy of services provided ^(b)	100%	100%	100%	100%	
Average resolution rate of enquiries (within 6 working days).....	85%	80%	82%	80%	
Outcome: Value for money from the management of the Government's non-residential buildings and public works:					
Percentage of significant projects in the New Buildings program delivered within approved: ^(c)					
- budget ^(d)	n/a	n/a	n/a	100%	
- timeframe ^(e)	n/a	n/a	n/a	100%	
Planned maintenance as a percentage of the total maintenance program ^(c)	n/a	n/a	n/a	45%	3
Average office accommodation floor space per work point ^(c)	n/a	n/a	n/a	18.0m ²	4

(a) Further detail in support of the key effectiveness indicators is provided in the Department of Treasury and Finance's Annual Report.

(b) This indicator relates to the accurate delivery of client corporate service functions by the Shared Service Centre.

(c) New indicator effective from 1 July 2011.

(d) Within 10% of approved budget.

(e) Within three months of approved timeframe.

Explanation of Significant Movements

(Notes)

1. The 2010-11 Estimated Actual on profitability of the State's light vehicle fleet is substantially higher than the 2010-11 Budget due to a significant increase in revenue from the sale of vehicles and overrun of lease terms (with the associated penalty charges to agencies increasing revenue). The second-hand vehicle market has experienced a strong demand for light commercial vehicles on the back of growth in the resource industry.
2. No roll-ins are assumed to occur in quarters 1 to 3 of 2011-12 as a result of the Government decision to pause agency roll-ins and initiate a review by the ERA. Assumes roll-in of agencies recommence in quarter 4 of 2011-12.
3. The long-term target is 65%.
4. The long-term target is 15.0m².

Services and Key Efficiency Indicators

1: State Fleet Service

This service involves the financing and leasing of some 11,400 passenger and light commercial vehicles to State Government agencies and the management of government vehicle fleet policy.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 83,036	\$'000 86,725	\$'000 93,952	\$'000 93,164	
Less Income.....	104,044	96,500	113,392	107,340	
Net Cost of Service	(21,008)	(9,775)	(19,440)	(14,176)	
Employees (Full Time Equivalents)	7	13	11	11	
Efficiency Indicators					
Average Cost per Vehicle of Financing and Managing the State Fleet Service.....	\$85	\$131	\$128	\$131	

2: Revenue Assessment and Collection

This service involves the assessment and collection of a range of statutory based revenues, including:

- those for which the Commissioner of State Revenue has direct responsibility (duties, land tax and pay-roll tax); and
- those that are collected on behalf of other agencies (such as Perth Parking Licence fees) or other jurisdictions (e.g. collection of a range of taxes for the Commonwealth in the Indian Ocean Territories).

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 36,330	\$'000 39,724	\$'000 37,416	\$'000 40,461	
Less Income.....	3,554	4,955	3,797	3,400	
Net Cost of Service	32,776	34,769	33,619	37,061	
Employees (Full Time Equivalents)	200	201	201	217	
Efficiency Indicators					
Average Cost per Land Tax Item Assessed.....	\$9.83	\$12.25	\$9.92	\$11.07	
Average Cost per Insurance Duty Client.....	\$642.02	\$907.31	\$761.17	\$808.66	
Average Cost per Pay-Roll Tax Client.....	\$600.98	\$560.30	\$486.07	\$543.33	
Average Cost per Duties Instrument Assessed Manually.....	\$67.27	\$63.86	\$87.02	\$129.23	1
Average Cost per Duties Instrument Assessed Electronically.....	\$44.73	\$46.38	\$51.33	\$16.61	1

Explanation of Significant Movements

(Notes)

1. The difference between the 2010-11 Estimated Actual to 2010-11 Budget Target is driven by an estimated 16% decrease in overall instrument numbers due to a flat property market, combined with higher than anticipated legal and valuation costs associated with a small number of high-value duty transactions. The shift in relative cost between manually and electronically assessed instruments reflected in the 2011-12 Budget Target is based on higher take-up of online self assessment of routine property instruments.

3: 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 scheme, and concessions on water and local government rates and the emergency services levy, for pensioners and seniors.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 3,549	\$'000 3,929	\$'000 3,664	\$'000 3,923	
Less Income.....	347	350	293	274	
Net Cost of Service	3,202	3,579	3,371	3,649	
Employees (Full Time Equivalents)	29	30	28	29	
Efficiency Indicators					
Average Cost per Application/Claim Processed.....	\$8.31	\$9.14	\$8.54	\$8.82	

4: Facilitate the Development and Management of Agency Specific Contracts

This service entails Government agencies effectively managing procurement risks, and establishing contracts that deliver value for money and efficiently meet their operational needs.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 24,662	\$'000 28,044	\$'000 27,417	\$'000 32,506	
Less Income.....	514	1,465	646	531	
Net Cost of Service	24,148	26,579	26,771	31,975	
Employees (Full Time Equivalents)	184	214	217	238	
Efficiency Indicators					
Cost of Facilitating the Development and Management of Agency Specific Contracts as a Percentage of the Contract Award Value	2.0%	1.3%	1.5%	1.4%	

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

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

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 9,321	\$'000 8,747	\$'000 9,172	\$'000 10,987	
Less Income.....	189	146	642	380	
Net Cost of Service	9,132	8,601	8,530	10,607	
Employees (Full Time Equivalents)	50	60	63	72	
Efficiency Indicators					
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					
	1.2%	1.0%	1.1%	1.2%	

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

The Shared Services (Project Division) is responsible for building the business system which will support the provision of shared corporate services to general government agencies. The build of the integrated Finance and HR/Payroll System has been substantially completed to enable further agencies to roll-in to Shared Services.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 10,212	\$'000 13,193	\$'000 9,335	\$'000 6,825	1
Less Income.....	1,656	1,456	1,930	1,930	
Net Cost of Service	8,556	11,737	7,405	4,895	
Employees (Full Time Equivalents)	117	110	125	125	
Efficiency Indicators					
Progress with the Reform of the Western Australian Public Sector for Shared Corporate Services within Budget:					
Delivery of Project within Budgeted Target (\$'000) ^(a)	\$42,189	\$35,227	\$30,227	\$17,536	

(a) This indicator relates to the build and implementation of the business system which will support the provision of shared corporate services.

Explanation of Significant Movements

(Notes)

1. The decrease in the total cost is a result of the change of allocation of corporate expenses and the reduction in the share of Information Technology costs to this service.

7: Provision of Financial and Human Resources Services

Shared Services (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.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	69,357	69,690	79,554	88,825	
Less Income.....	11,246	25,372	19,517	22,665	
Net Cost of Service	58,111	44,318	60,037	66,160	
Employees (Full Time Equivalents)	299	315	287	334	
Efficiency Indicators					
Cost of Processing Financial Services per Transaction	\$57.17	\$48.14	\$40.94	\$38.96	1
Cost of Providing Human Resource/Payroll Services per Agency Headcount...	\$5,901	\$2,530	\$3,788	\$2,464	2

Explanation of Significant Movements

(Notes)

1. The cost per transaction is lower than the budget estimate due to a greater number of Accounts Payable transactions being processed.
2. With the Department of Agriculture and Food and the Disability Services Commission being delayed for rolling-in to payroll, the average cost per employee has increased.

8: Leads the Planning and Delivery of New Government Buildings

This encompasses strategic leadership and facilitation in the planning, project management and procurement of new non-residential buildings.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	1,342,486	1,210,542	1,214,198	787,362	
Less Income.....	1,320,465	1,188,663	1,195,744	780,220	
Net Cost of Service	22,021	21,879	18,454	7,142	
Employees (Full Time Equivalents)	122	156	141	150	
Efficiency Indicators					
Cost as a Percentage of the Total Annual Value of the Planning and Delivery of Capital Works Projects ^(a)	4.1%	3.6%	3.9%	4.5%	1

(a) This indicator has been recast to exclude Strategic Projects operational costs and turnover.

Explanation of Significant Movements

(Notes)

1. There is a significant increase from the 2010-11 Budget and 2010-11 Estimated Actual, to the 2011-12 Budget due to the completion of the \$1.2 billion BER program. The BER program will be completed in 2011-12 and is split across Service 8, incorporating the Primary Schools for the 21st Century program of \$1.1 billion, and Service 9 which includes the Science and Language and National School Pride programs of \$130.0 million.

The BER program is in addition to the State Government's existing, ongoing new buildings program. Without the economies of scale of the BER program, the Service 8 indicator result for the 2010-11 Estimated Actual will be around 5.7%.

9: Leads the Planning and Delivery of Government Building Maintenance

The BMW business of the Department also provides strategic leadership and facilitation in the planning, project management and procurement of maintenance for non-residential buildings.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	198,407	201,961	195,374	203,446	
Less Income.....	192,512	185,993	171,549	173,172	
Net Cost of Service	5,895	15,968	23,825	30,274	
Employees (Full Time Equivalents)	175	202	181	195	
Efficiency Indicators					
Cost as a Percentage of the Annual Value of Maintenance Services					
Delivered	8.8%	10.1%	10.1%	10.4%	

10: Leads the Planning and Delivery of Government Office Accommodation

Strategic leadership and facilitation in the planning, project management and procurement of government office accommodation is provided by the BMW business of the Department.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	313,796	223,368	282,731	299,858	1
Less Income.....	221,625	204,031	249,100	262,700	1
Net Cost of Service	92,171	19,337	33,631	37,158	
Employees (Full Time Equivalents)	42	40	46	49	
Efficiency Indicators					
Cost as a Percentage of the Value of Gross Rentals of Buildings and					
Office Accommodation Managed.....	6.7%	8.2%	11.2%	11.6%	1

Explanation of Significant Movements

(Notes)

1. The significant movement between 2010-11 Budget and 2010-11 Estimated Actual is due to an increase in operational costs associated with the Government Office Accommodation Master Plan, which will see the relocation of approximately 5,300 public servants by 2011-12.

ASSET INVESTMENT PROGRAM

The Department's planned asset investment program for 2011-12 is \$309.3 million, comprising \$151.7 million for works in progress and \$157.5 million for new works. Major items under development include:

- Master Plan for Government Office Accommodation - \$104.3 million;
- Office of the Premier's Accommodation - Hale House Relocation - \$22.8 million in 2011-12 (with a total project cost of \$25.5 million);
- Shared Services Establishment - \$17.5 million; and
- Revenue Collection Information System Replacement - \$5.3 million.

Capital expenditure on vehicle acquisitions (\$157.1 million) by State Fleet and Master Plan for Government Office Accommodation (\$104.3 million) makes up most of the new works scheduled in 2011-12.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
Accommodation Fit-Out Projects							
Master Planning Strategy - Government Office							
Accommodation	225,845	78,100	78,100	104,343	-	-	43,402
Office of the Premier's Accommodation - Hale House							
Relocation	25,500	2,700	2,700	22,800	-	-	-
Computing and Office Equipment Replacement							
2004-05 to 2014-15 Online Technologies	3,644	2,159	745	745	264	200	276
Shared Services Establishment	234,754	199,718	30,227	17,536	12,000	5,500	-
Software Development							
Revenue Collection Information System Replacement	20,677	9,537	5,147	5,309	5,831	-	-
Works Centre of Expertise	4,000	1,469	1,000	1,000	1,048	483	-
COMPLETED WORKS							
Procurement Systems Replacement - 2010-11 Program	450	450	450	-	-	-	-
Vehicle Acquisitions - 2010-11 Program	160,000	160,000	160,000	-	-	-	-
NEW WORKS							
Accommodation Fit-Out Projects							
St Georges Cathedral Heritage Precinct - Office Fit-Out	11,700	-	-	-	-	5,000	6,700
Procurement Systems Replacement							
2011-12 Program	450	-	-	450	-	-	-
2012-13 Program	450	-	-	-	450	-	-
2013-14 Program	450	-	-	-	-	450	-
2014-15 Program	450	-	-	-	-	-	450
Server - Standard Business Reporting	72	-	-	-	72	-	-
Vehicle Acquisitions							
2011-12 Program	157,089	-	-	157,089	-	-	-
2012-13 Program	157,334	-	-	-	157,334	-	-
2013-14 Program	152,429	-	-	-	-	152,429	-
2014-15 Program	146,844	-	-	-	-	-	146,844
Total Cost of Asset Investment Program	1,302,138	454,133	278,369	309,272	176,999	164,062	197,672
FUNDED BY							
Capital Appropriation			97,019	144,068	14,739	10,500	50,102
Asset Sales			79,532	85,455	73,381	70,162	65,665
Commonwealth Grants			-	-	72	-	-
Drawdowns from the Holding Account			5,970	5,060	714	650	726
Internal Funds and Balances			95,848	74,689	88,093	82,750	81,179
Total Funding			278,369	309,272	176,999	164,062	197,672

FINANCIAL STATEMENTS**Income Statement***Expenses*

The Total Cost of Services is expected to decrease by \$385.5 million (20%), when compared to the 2010-11 Estimated Actual. This reduction is predominately attributable to a decrease in supplies and services and reflects reduced building activity associated with the BER program, which will be completed in 2011-12.

Income

Total Income is estimated at \$1.3 billion for 2011-12, a reduction of \$404.0 million (23%) compared to the 2010-11 Estimated Actual and mainly reflects lower Commonwealth funding for the BER program in line with the approved program budget.

Statement of Financial Position

The Department's Total Net Asset Position (Total Equity) is expected to increase by \$161.2 million. This mainly reflects Non-Current Asset increases associated with the Government Office Accommodation Master Planning Strategy (\$104.3 million), Office of the Premier's accommodation - Hale House relocation (\$22.8 million) and system developments associated with the Shared Services Reform project and the Revenue Collection Information System replacement (\$22.8 million).

Statement of Cashflows

The 2011-12 closing Cash Asset Balance of \$53.1 million represents an increase of \$11.5 million when compared to the 2010-11 Estimated Actual outcome. This mainly reflects an increase in anticipated proceeds from the sale of fleet vehicles.

INCOME STATEMENT (Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(a)	107,307	103,696	108,274	125,472	129,013	130,878	132,546
Grants and subsidies ^(b)	146	500	-	-	-	52,000	-
Supplies and services	1,766,836	1,648,734	1,702,578	1,289,209	1,104,094	1,113,852	1,120,020
Accommodation	7,054	8,586	8,521	7,934	8,280	8,590	9,278
Depreciation and amortisation	94,373	97,101	108,319	117,984	119,501	119,925	120,032
Other expenses	115,440	27,308	25,121	26,758	28,641	29,563	36,163
TOTAL COST OF SERVICES	2,091,156	1,885,925	1,952,813	1,567,357	1,389,529	1,454,808	1,418,039
Income							
Sale of goods and services	1,552,358	1,435,190	1,423,772	1,013,292	861,039	888,930	898,577
Grants and subsidies	2,746	201	389	164	326	182	-
Other revenue	301,048	273,541	332,449	339,156	334,420	334,142	338,094
Total Income	1,856,152	1,708,932	1,756,610	1,352,612	1,195,785	1,223,254	1,236,671
NET COST OF SERVICES	235,004	176,993	196,203	214,745	193,744	231,554	181,368
INCOME FROM STATE GOVERNMENT							
Service appropriations	127,419	147,184	171,911	184,068	160,436	144,358	142,258
Resources received free of charge	40,118	39,668	40,451	44,616	45,423	46,525	47,872
Royalties for regions fund ^(c)	500	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	168,037	186,852	212,362	228,684	205,859	190,883	190,130
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(66,967)	9,859	16,159	13,939	12,115	(40,671)	8,762
Extraordinary items	(2,310)	-	-	-	-	-	-
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	(69,277)	9,859	16,159	13,939	12,115	(40,671)	8,762

(a) The Full Time Equivalents (FTEs) for 2009-10 Actual, 2010-11 Estimated Actual and 2011-12 Estimates are 1,225, 1,300 and 1,420 respectively. In some cases the figures for 2009-10 and 2010-11 may differ from previously published figures due to changes in calculation methodology.

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

(c) Regional Infrastructure and Headworks Fund - \$0.5 million (2009-10), \$0 (2010-11), \$0 (2010-11 Estimated Out Turn), \$0 (2011-12), \$0 (2012-13), \$0 (2013-14), \$0 (2014-15).

Details of Controlled Grants and Subsidies

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Fitzroy Future Fund ^(a)	146	500	-	-	-	-	-
Old Treasury Building and St George's Cathedral Heritage Precinct Redevelopment ^(b)	-	-	-	-	-	52,000	-
TOTAL	146	500	-	-	-	52,000	-

(a) Fitzroy Future Fund transferred to Department of Indigenous Affairs effective 13 January 2011.

(b) Non-cash expenditure of \$52.0 million will be incurred in 2013-14 in relation to the heritage component of the Old Treasury Building development.

STATEMENT OF FINANCIAL POSITION
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	259,526	60,229	28,778	39,939	35,720	38,820	39,975
Restricted cash.....	10,953	585	11,251	11,587	11,587	11,587	11,587
Holding account receivables.....	5,717	4,729	5,060	714	650	726	-
Receivables	704,919	116,659	704,186	705,797	706,666	707,430	710,709
Other.....	39,123	33,540	38,126	37,129	36,132	35,135	34,138
Total current assets.....	1,020,238	215,742	787,401	795,166	790,755	793,698	796,409
NON-CURRENT ASSETS							
Holding account receivables.....	74,968	99,986	99,975	139,139	183,377	227,856	273,061
Property, plant and equipment.....	667,778	878,848	759,154	878,911	870,618	860,029	894,558
Intangibles	146,209	121,655	144,949	133,226	114,327	93,690	72,262
Restricted cash.....	1,554	1,018	1,585	1,615	1,646	1,697	1,748
Other.....	32,448	41,214	44,936	47,225	57,593	57,861	52,044
Total non-current assets	922,957	1,142,721	1,050,599	1,200,116	1,227,561	1,241,133	1,293,673
TOTAL ASSETS.....	1,943,195	1,353,463	1,838,000	1,995,282	2,018,316	2,034,831	2,090,082
CURRENT LIABILITIES							
Employee provisions	21,313	20,024	21,566	21,835	21,766	21,673	21,579
Payables.....	924,948	129,919	695,876	695,903	696,779	696,960	697,579
Other.....	115,496	91,739	125,307	126,327	127,432	127,764	128,118
Total current liabilities	1,061,757	241,682	842,749	844,065	845,977	846,397	847,276
NON-CURRENT LIABILITIES							
Employee provisions	8,118	11,075	9,814	10,313	10,313	10,313	10,313
Borrowings	129,331	175,000	135,000	134,867	134,734	134,600	134,466
Other.....	30,509	25,375	24,909	19,309	13,709	60,109	55,751
Total non-current liabilities	167,958	211,450	169,723	164,489	158,756	205,022	200,530
TOTAL LIABILITIES	1,229,715	453,132	1,012,472	1,008,554	1,004,733	1,051,419	1,047,806
EQUITY							
Contributed equity.....	788,488	882,252	884,377	972,789	987,529	998,029	1,048,131
Accumulated surplus/(deficit)	(75,008)	20,728	(58,849)	13,939	26,054	(14,617)	(5,855)
Reserves	-	2,351	-	-	-	-	-
Total equity.....	713,480	905,331	825,528	986,728	1,013,583	983,412	1,042,276
TOTAL LIABILITIES AND EQUITY	1,943,195	1,358,463	1,838,000	1,995,282	2,018,316	2,034,831	2,090,082

STATEMENT OF CASHFLOWS
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	100,436	117,919	141,591	144,190	115,548	99,153	97,053
Capital appropriation.....	53,618	94,319	97,019	144,068	14,739	10,500	50,102
Holding account drawdowns.....	4,891	5,986	5,970	5,060	714	650	726
Royalties for regions fund ^(a)	500	-	-	-	-	-	-
Net cash provided by State Government.....	159,445	218,224	244,580	293,318	131,001	110,303	147,881
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(108,713)	(109,383)	(100,040)	(117,596)	(120,843)	(122,517)	(123,857)
Grants and subsidies.....	(146)	(500)	-	-	-	(52,000)	-
Supplies and services.....	(1,641,779)	(1,604,554)	(1,663,073)	(1,250,171)	(1,072,205)	(1,077,376)	(1,079,665)
Accommodation.....	(10,128)	(16,498)	(20,741)	(20,428)	(20,899)	(20,941)	(21,408)
Other payments.....	(237,263)	(200,990)	(207,427)	(165,299)	(163,144)	(164,615)	(176,163)
Receipts							
Grants and subsidies.....	2,530	122	389	164	326	182	-
Sale of goods and services.....	1,897,856	1,606,936	1,408,792	1,243,892	1,091,481	1,117,835	1,127,482
GST receipts.....	216,615	182,550	181,470	138,007	139,559	140,129	140,717
Other receipts.....	103,688	101,552	110,972	110,639	109,654	109,415	113,453
Net cash from operating activities.....	222,660	(40,765)	(289,658)	(60,792)	(36,071)	(69,888)	(19,441)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(183,894)	(276,787)	(278,369)	(309,272)	(176,999)	(164,062)	(197,672)
Other payments.....	(980)	-	-	(1,575)	-	-	-
Proceeds from sale of non-current assets.....	76,341	120,299	79,532	85,455	73,381	70,162	65,665
Net cash from investing activities.....	(108,533)	(156,488)	(198,837)	(225,392)	(103,618)	(93,900)	(132,007)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(77,407)	-	(10,391)	-	-	-	-
Proceeds from borrowings.....	51,380	-	20,782	-	-	-	-
Other proceeds.....	726	58	4,234	4,396	4,498	56,634	4,774
Net cash from financing activities.....	(25,301)	58	14,625	4,396	4,498	56,634	4,774
NET INCREASE/(DECREASE) IN CASH HELD.....	248,271	21,029	(229,290)	11,530	(4,190)	3,149	1,207
Cash assets at the beginning of the reporting period.....	114,148	40,804	272,031	41,611	53,141	48,951	52,100
Net cash transferred to/from other agencies.....	(90,388)	-	(1,130)	-	-	-	-
Cash assets at the end of the reporting period.....	272,031	61,833	41,611	53,141	48,951	52,100	53,307

(a) Regional Infrastructure and Headworks Fund - \$0.5 million (2009-10), \$0 (2010-11), \$0 (2010-11 Estimated Out Turn), \$0 (2011-12), \$0 (2012-13), \$0 (2013-14), \$0 (2014-15).

SCHEDULE OF ADMINISTERED EXPENSES AND REVENUES

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
INCOME							
Taxation							
Insurance Duty	404,043	433,200	440,000	466,900	504,200	544,600	588,200
Land Tax	527,067	525,385	513,300	547,000	547,400	602,000	662,000
Metropolitan Region Improvement Tax	78,311	79,400	77,300	83,600	83,700	92,000	101,200
Pay-roll Tax	2,299,942	2,453,361	2,599,300	2,920,100	3,246,300	3,677,800	4,163,800
Racing and Wagering Western Australia Tax	31,655	36,238	32,844	34,406	36,051	37,770	39,566
Transfer Duty	1,551,816	1,601,678	1,166,600	1,344,600	1,617,900	1,782,100	2,014,000
Landholder Duty	87,442	58,100	38,000	48,800	58,700	64,600	73,000
<i>Total Duty on Transfers</i>	<i>1,639,258</i>	<i>1,659,778</i>	<i>1,204,600</i>	<i>1,393,400</i>	<i>1,676,600</i>	<i>1,846,700</i>	<i>2,087,000</i>
Vehicle Licence Duty	331,571	361,400	343,000	364,900	393,800	424,900	458,400
Other Duties	11	125	200	10	7	5	5
Commonwealth Mirror Taxes	28,711	30,454	31,160	33,910	37,310	41,910	35,310
Other Revenue							
Office Lease Rental Revenue	35,054	35,000	35,000	31,000	35,000	39,000	39,000
Other Income	63,110	38,411	34,911	35,561	36,211	36,861	37,511
Appropriations							
First Home Owners Grant Act 2000	325,268	134,960	102,960	126,360	127,760	130,700	132,960
Administered Grants and Transfer Payments	116,425	222,522	243,116	137,644	151,011	165,663	182,218
TOTAL ADMINISTERED INCOME	5,880,426	6,010,234	5,657,691	6,174,791	6,875,350	7,639,909	8,527,170
EXPENSES							
Grants and Subsidies							
First Home Owners' Scheme	325,268	134,960	102,960	126,360	127,760	130,700	132,960
Life Support Equipment Electricity Subsidy Scheme	637	838	838	947	1,088	1,251	1,439
On-Road Diesel Subsidies	5,673	-	-	-	-	-	-
Payroll Tax Rebate Scheme	-	100,000	102,000	1,000	1,000	1,000	1,000
Pensioner Concessions - Emergency Services Levy	8,914	11,854	12,400	13,500	14,700	16,000	17,400
Pensioner Concessions - Local Government and Water Rates	61,586	65,175	68,100	74,552	81,052	88,195	95,995
Public Swimming Pools - Operating Costs Subsidy	291	300	330	300	300	300	300
Thermoregulatory Dysfunction Energy Subsidy Scheme	359	748	748	845	971	1,117	1,284
Other Expenses							
Refund of Previous Years' Revenues	38,965	43,607	58,700	46,500	51,900	57,800	64,800
Other Expenses	63,110	38,411	34,911	35,561	36,211	36,861	37,511
Receipts Paid into Consolidated Account	5,375,623	5,614,341	5,276,704	5,875,226	6,560,368	7,306,685	8,174,481
TOTAL ADMINISTERED EXPENSES	5,880,426	6,010,234	5,657,691	6,174,791	6,875,350	7,639,909	8,527,170

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:

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Commonwealth Grants.....	730	122	389	164	326	182	-
Contract Services - BMW	1,876,493	1,575,562	1,382,248	1,214,970	1,045,458	1,053,858	1,064,027
Executive Vehicle Scheme Receipts	340	300	300	300	300	300	300
Fremantle Prison - BMW	4,101	4,107	3,600	3,500	3,700	3,800	4,000
GST Input Credits	8,534	5,967	5,076	5,076	5,075	5,075	5,076
GST Receipts on Sales	208,081	176,583	176,394	132,931	134,484	135,054	135,641
Land Tax Liability Enquiry Fee	2,367	2,700	2,800	2,800	2,800	2,800	2,800
Other Receipts.....	10,865	10,626	10,562	9,756	10,201	10,533	10,609
Procurement Services.....	586	993	848	888	916	944	972
Shared Services Rendered.....	12,901	22,848	20,100	23,557	40,412	58,212	62,612
State Fleet Receipts	95,691	91,352	99,306	98,760	97,348	96,803	95,615
TOTAL.....	2,220,689	1,891,160	1,701,623	1,492,702	1,341,020	1,367,561	1,381,652

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

COMMERCE

PART 8 - MINISTER FOR FINANCE; COMMERCE; SMALL BUSINESS

DIVISION 40

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 65 Net amount appropriated to deliver services	122,601	112,272	112,272	139,232	106,738	115,992	112,963
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975.....	700	724	724	746	768	791	808
Total appropriations provided to deliver services	123,301	112,996	112,996	139,978	107,506	116,783	113,771
ADMINISTERED TRANSACTIONS							
Amount provided for Administered Grants, Subsidies and Other Transfer Payments	-	5	5	-	-	-	-
CAPITAL							
Item 137 Capital Appropriation.....	1,611	425	425	1,888	1,000	-	-
TOTAL APPROPRIATIONS	124,912	113,426	113,426	141,866	108,506	116,783	113,771
EXPENSES							
Total Cost of Services	171,451	165,223	175,896	233,077	189,947	189,485	168,433
Net Cost of Services ^(a)	129,679	122,582	119,739	156,769	136,110	134,452	116,274
CASH ASSETS ^(b)	21,432	20,112	19,506	14,923	10,860	2,892	1,792

(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 SPENDING CHANGES

Details of major decisions impacting on the agency's Income Statement since publication of the 2010-11 Budget to Parliament on 20 May 2010 are outlined below.

	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Australian Square Kilometre Array Project.....	5,000	10,800	-	-	-
Building Regulation Reform	2,180	8,607	9,815	10,169	10,521
EnergySafety Division 2010-11 Business Plan.....	5,353	6,711	5,923	6,374	-
Gas Rectification Project.....	7,100	20,500	-	-	-
Gravity Discovery Centre.....	-	350	300	250	200
Interactive Virtual Environments Centre.....	-	3,748	3,885	4,027	4,188
Kimberley Science and Conservation Strategy - Integrated Marine Observation System.....	-	1,047	570	598	-
Kimberley Science and Conservation Strategy - Western Australian Marine Science Institute	-	2,000	2,000	2,000	2,000
Non-Kimberley Integrated Marine Observation System	-	953	1,430	1,402	-
Non-Kimberley Western Australian Marine Science Institute	-	1,500	-	-	-
Office of Nobel Laureates	-	800	-	-	-
Research and Innovation Fund	-	10,000	-	-	-
Research Fellowship Program.....	-	500	-	-	-
Royalties for Regions - Pilbara Maritime Common Use Support Facility.....	-	5,000	-	-	-
Value for Money Audit	(1,252)	(1,387)	(1,916)	(1,916)	(1,916)

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*.

Responsible Minister	Services
Minister for Finance; Commerce; Small Business	1. Consumer Protection 2. Safety and Employment Protection and Construction Standards 3. Industry, Science and Innovation
Minister for Planning; Culture and the Arts; Science and Innovation	3. Industry, Science and Innovation

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 goals 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
Results-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 with workplaces operated in a safe and fair manner and where buildings are safe and efficient.	2. Safety and Employment Protection and Construction Standards
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. Industry, Science and Innovation

Service Summary

Expense	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
1. Consumer Protection	45,914	47,040	50,262	50,790	51,901	55,011	57,771
2. Safety and Employment Protection and Construction Standards	59,403	56,699	70,461	97,547	78,492	91,177	87,323
3. Industry, Science and Innovation	66,134	61,484	55,173	84,740	59,554	43,297	23,339
Total Cost of Services	171,451	165,223	175,896	233,077	189,947	189,485	168,433

Significant Issues Impacting the Agency

- The Consumer Protection Division will implement State Government initiatives to increase consumer choice and business flexibility through further reform of retail trading hours. The Division will also progress the State Government's amendments to retail shop tenancy laws, which will benefit small business and provide better clarity for tenants and landlords. The latter amendments will be complemented in the Small Business Portfolio, through laws appointing a Commissioner for Small Business.
- The Consumer Protection Division will have a strong focus on the housing and tenancy sector through Bills to amend the *Residential Tenancies Act 1987* and the *Retirement Villages Act 1992*, the establishment of an integrated Property Services directorate within the Division, and the proposed creation of a Seniors' Housing Information Service.
- The introduction of the Australian Consumer Law and amendments to legislation administered by the Consumer Protection Division is seeing considerable change occur to the Division's legislative and structural operations, particularly the Division's adoption of the licensing and regulatory functions of four Boards. Significant effort will be required to ensure a seamless transition continues to occur in the services and information provided to consumers and traders throughout this period.
- Western Australia remains committed to national Occupational Health and Safety (OHS) targets which aim for at least a 20% reduction in fatalities and a 40% reduction in injuries between 2002 and 2012.
- Western Australia is participating in the OHS reform agenda aimed at harmonising OHS legislation across Australia. The Government has agreed to the bulk of the model laws proposed for national harmonisation. However, while it supports the principle of OHS harmonisation, the State Government will retain its own settings in some areas. The Department is contributing to this initiative by working towards the commencement of the model work health and safety provisions by January 2012 and then applying the new laws.
- The Labour Relations Division continues to facilitate and monitor compliance with the Western Australian Government's Public Sector Wages Policy 2009 through coordination of all public sector negotiations and by assuming a regulatory role in the management of these negotiations and arbitration where necessary.
- The Commonwealth Government implemented a new national industrial relations system during the 2010-11 financial year. The State Government has decided not to refer its remaining industrial relations powers to the new national system, but will reform the existing state industrial relations system. The Labour Relations Division has provided ongoing support to the State Government in preparing a response to the independent review of the State industrial relations system, and is conducting further consultation with stakeholders.
- The Department continues to promote flexible, balanced and productive Western Australian workplaces through initiatives such as the pay equity audit tool which has been successfully used to conduct pay equity audits in a number of agencies, with the advice and support of the Department. The Department continues to promote pay equity audits as a key strategy to address barriers to participation through training and education.
- The Department has successfully negotiated a one year contract with the Commonwealth Fair Work Ombudsman to deliver education services on federal modern awards to Western Australian private sector workplaces. This initiative will enhance the Department's existing services provided to Western Australian small businesses.
- A complete building regulation reform agenda with a new legislative framework will streamline the building approval process and consolidate the framework for prescribing design, construction and maintenance standards, approving building proposals and certifying compliance with the relevant building standards and codes in the interests of community safety and health.
- A new consumer disputes process will be developed and implemented in association with the State Administrative Tribunal (SAT). This will involve the Building Commission Division initially dealing with, and attempting to conciliate, disputes. Where disputes cannot be resolved, the SAT will deal with them in a formal tribunal hearing.
- To consolidate the building regulation of the building industry, new laws will repeal the *Painters' Registration Act 1961* and the *Builders' Registration Act 1939 (WA)* and transfer the functions of the Builders' Registration Board and the Painters' Registration Board to a new Building Industry Board. The assets and staff of the former boards will be transferred to the Department's Building Commission Division.

- The Ministerial Council on Energy (MCE) is working towards an enhanced safety framework for the energy supply industry and has agreed to the development of an Intergovernmental Agreement for the jurisdictions to adopt a common Energy Network Safety Scheme and to establish an Energy Supply Industry Safety Committee (ESISC) to oversee the project and advise the MCE. *EnergySafety* will represent the State on the ESISC and will determine the impact on the current integrated approach to energy industry regulation.
- The findings of the 2008 audit of Western Power's distribution wood pole management systems in the South West included concerns about the safety of overhead lines. During 2009-10 *EnergySafety* also conducted audits on pole top fires and high voltage conductor clashing causing wildfires. *EnergySafety* continues to work with Western Power on its mitigation strategies to ensure that all reasonable measures are employed to avoid incidents such as the Toodyay bush fire in the future, since their effect on the community can be severe.
- Population growth and its geographical distribution has driven the demand for the housing and construction industry, which in turn, has driven demand for electricians and gas fitters from increased licensing activity. A marked increase in demand from Pilbara and Kimberley centres, particularly for electricians is likely from major resource projects coming on-stream. The *EnergySafety* Division has sufficient resources at this time and expects a slowing in licensing activities following the introduction of the National Licensing System.
- The Industry, Science and Innovation Division is currently working with the Commonwealth, other States and the Territories to revise and update the 2001 Australian Industry Participation National Framework Agreement. The Agreement is designed to achieve a uniform approach across jurisdictions to Australian industry involvement in major capital projects - both public and private. Its basic principle is that Australian industry should be provided with full, fair and reasonable opportunity to supply to such projects. Project proponents can be required to produce Australian Industry Participation Plans, outlining their approach to sourcing locally. The review is expected to be completed in June 2011 and will contribute to Western Australia's future response on this issue.
- The successful marine science research initiative undertaken by the Western Australian Marine Science Institute (WAMSI) is set to continue with a \$9.5 million commitment over four years. WAMSI is a collaborative partnership between the State and Commonwealth Governments, academia and industry. This includes support for a major marine research program in the Kimberley, as part of the Kimberley Science and Conservation Strategy. Further support of \$6 million over three years for the Western Australian node of the Integrated Marine Observing System (IMOS) will leverage greater Commonwealth investment in the Western Australia node of IMOS and will provide an important source of data for marine researchers in WAMSI, State Government agencies and academic institutions and will also complement the proposed Kimberley research.
- The Government has reviewed and is revising the Western Australian Building Local Industry Policy to ensure it continues to meet the evolving needs of industry and the broader community. The policy's basis lies in maximising industry participation in resource projects and public capital works. The policy requires that local industry be given full, fair and reasonable opportunity to participate in these markets. The Government is continuing to engage with local businesses and encouraging them to work cooperatively with project proponents. Conversely the Government is also encouraging project proponents to undertake greater and closer consultation with local industry. A revised policy is being drafted and will be publically released in the first half of 2011.
- A new Research and Innovation Fund has been established to continue investment into innovation initiatives, and research capability and capacity in Western Australia that support the growth of key industry sectors. The Fund, with \$10 million budgeted for 2011-12, is aimed at attracting a greater level of Commonwealth research and development investment into Western Australia, as well as supporting the promotion of innovation in small and medium enterprises.
- The Department will continue to support the Australian and New Zealand bid to host the international Square Kilometre Array (SKA) project in Western Australia. The allocation of \$10.8 million in 2011-12 represents another significant contribution by the State Government, which will fund completion of an optic fibre link from the Murchison Radio-astronomy Observatory (MRO) to Geraldton, plus roads, power and data connections across the MRO site. This strategic infrastructure will enable the flow of high speed data from the MRO's demonstrator telescopes, and potentially the SKA, to research partners around the world, via existing data networks between Geraldton and Perth.
- The Western Australian Research Fellowship Program will continue in 2011-12 with \$500,000 towards programs to advance knowledge in areas of critical importance to the State. Since 2004, the program has attracted nine world class researchers to Western Australia from overseas or interstate to conduct scientific research that is internationally competitive and of specific benefit to Western Australia. Further funding of \$800,000 in 2011-12 will also be provided for the Office of the Nobel Laureates for the development of an international network of local, national and international infectious disease researchers with the aim of building capacity for future advances in health.

- Support for the Gravity Discovery Centre will continue with a commitment to provide the Centre with \$1.1 million over a four year period. Continued investment into the Centre's operations and infrastructure will enable the Centre to continue as a science education facility and to develop its science education services further for the 20,000 visitors, including 5,000 school students, who visit the centre on an annual basis. The Centre's activities have been expanded to include radio astronomy activities related to the SKA Project. It will also allow the Centre to continue providing local employment.
- The independent review of the *Industry and Technology Development Act 1998* is currently underway.
- In accordance with the recommendations of the Economic Audit Committee, the Department undertook a Value for Money Audit of its activities in 2009. The audit identified potential savings and operational efficiencies, principally in the reduction of leasing and infrastructure costs by co-locating the Department's existing multiple sites into one location. In the interim, the Department is working on implementation of the remaining recommendations of the audit.
- Changes stemming from the Council of Australian Governments (COAG) Seamless National Economy Reform initiatives continue to progress toward the provision of a national occupational licensing system, and national systems for the registration of personal property securities and business names. These reforms will provide significant focus on system and staffing arrangements as changes take place. Integration of the existing IT systems from each jurisdiction with a national database, is likely to have a significant impact on the Department. Implementation of the National Licensing system will have an impact on EnergySafety's licensing revenue due to a reduction in the number of new electrical and gas licence applications. This is because existing operatives from other jurisdictions who desire to work in Western Australia may not apply for a licence in Western Australia under the national system.

Outcomes and Key Effectiveness Indicators ^(a)

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 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 ^(b)	96%	90%	95%	93%	
The extent of consumer confidence in Western Australia's trading environment.....	68%	75%	75%	75%	
Outcome: A community with workplaces operated in a safe and fair manner and where buildings are safe and efficient:					
The extent of compliance with safety and employment protection regulatory requirements and construction standards ^(b)	94%	94%	93%	95%	
Outcome: Enhancement of the State's economic sustainability and prosperity:					
Index of funding leverage obtained for Western Australia from science and innovation research grants ^(c)	6.8:1	6.7:1	6.7:1	6.7:1	

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

(b) With the implementation of a revised Outcome Based Management framework for the 2011-12 Budget Target, the 2009-10 Actual and the 2010-11 Budget results have been recalculated for comparative purposes.

(c) Ratio of dollars provided by the Commonwealth and other sources (such as industry, universities, etc) against every dollar provided by the State in the form of Grants to Centres of Excellence. 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 concluded grants for Centres of Excellence established since 2000.

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.

	2009-10 Actual ^(a)	2010-11 Budget ^(a)	2010-11 Estimated Actual	2011-12 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	45,914	47,040	50,262	50,790	
Less Income	17,632	18,807	20,812	20,872	
Net Cost of Service	28,282	28,233	29,450	29,918	
Employees (Full Time Equivalents)	498	461	438	399	
Efficiency Indicators ^(b)					
Average Cost per Client Contact to Provide Information and Advice	\$2.54	\$2.33	\$2.97	\$2.88	
Average Cost per Policy Project	\$171,631	\$314,480	\$304,670	\$329,314	
Average Cost per Inspection or Investigation	\$322.11	\$798.58	\$464.41	\$468.52	
Average Cost per Registration or Licence	\$13.81	\$15.04	\$13.82	\$14.08	

(a) With the implementation of a revised Outcome Based Management framework, the 2009-10 Actual and 2010-11 Budget results have been recast for comparative purposes.

(b) The Efficiency Indicators exclude grants paid to external parties.

2: Safety and Employment Protection and Construction Standards

The provision of advice, information, education and regulation services to the Western Australian community in the areas of: occupational safety and health; energy safety; labour relations; and construction standards.

	2009-10 Actual ^(a)	2010-11 Budget ^(a)	2010-11 Estimated Actual	2011-12 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	59,403	56,699	70,461	97,547	1
Less Income	21,702	22,542	34,277	54,363	1
Net Cost of Service	37,701	34,157	36,184	43,184	
Employees (Full Time Equivalents)	360	456	456	543	2
Efficiency Indicators ^(b)					
Average Cost per Client Contact to Provide Information and Advice	\$5.06	\$4.65	\$7.69	\$8.27	
Average Cost per Hour of Policy Advice ^(c)	\$654.08	\$379.00	\$595.01	\$800.50	3
Average Cost per Inspection or Investigation	\$811.66	\$875.95	\$941.23	\$1,341.63	4
Average Cost per Registration or Licence	\$83.27	\$100.85	\$89.43	\$119.58	3

(a) With the implementation of a revised Outcome Based Management framework, the 2009-10 Actual and 2010-11 Budget results have been recast for comparative purposes.

(b) The Efficiency Indicators exclude grants paid to external parties and subsidy payments made under the *Gas Supply (Gas Quality Specifications Act) 2009* for the Appliance Rectification Program.

(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.

Explanation of Significant Movements

(Notes)

1. The Total Cost of Service and Income have increased by \$27.1 million (38.4%) and \$20.1 million (58.6%) respectively from the 2010-11 Estimated Actual to the 2011-12 Budget Target due to the impact of increases in operating costs and income relating to the proposed building services levy and the payment of the subsidies for the gas rectification project in 2011-12.
2. The Full Time Equivalents have increased by 73 (16%) from the 2010-11 Estimated Actual to the 2011-12 Budget Target, primarily due to the transfer of the Builders' Registration Board and the Painters' Registration Board into the Building Commission Division within the Department.
3. Average Cost per Hour of Policy Advice and per Registration or Licence have increased by \$205.49 (34.5%) and \$30.15 (33.7%) respectively from the 2010-11 Estimated Actual to the 2011-12 Budget Target due to the introduction of the proposed building services levy in 2011-12, which is not reflected in prior year figures.
4. Average Cost per Inspection or Investigation has increased by \$400.40 (42.5%) from the 2010-11 Estimated Actual to the 2011-12 Budget Target as it is anticipated that WorkSafe's resources will be prioritised towards the implementation of the OHS harmonisation reforms during 2011-12 and hence a fall in inspections is expected, as well as the introduction of the proposed building services levy in 2011-12 which is not reflected in prior year figures.

3: Industry, Science and Innovation

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

- supporting the Technology and Industry Advisory Council (TIAC) with policy development advice;
- supporting industry development through innovation and commercialisation; and
- managing industry, science and innovation programs and projects.

	2009-10 Actual ^(a)	2010-11 Budget ^(a)	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 66,134	\$'000 61,484	\$'000 55,173	\$'000 84,740	1
Less Income.....	2,438	1,292	1,068	1,073	
Net Cost of Service	63,696	60,192	54,105	83,667	
Employees (Full Time Equivalents)	105	111	102	88	
Efficiency Indicators ^(b)					
Average Cost per Industry, Science and Innovation Project Managed.....	\$174,251	\$202,733	\$171,335	\$169,303	

(a) With the implementation of a revised Outcome Based Management framework, the 2009-10 Actual and 2010-11 Budget results have been recast for comparative purposes.

(b) The Efficiency Indicator excludes grants paid to external parties.

Explanation of Significant Movements

(Notes)

1. The Total Cost of Service has increased by \$29.6 million (53.6%) from the 2010-11 Estimated Actual to the 2011-12 Budget Target due to the increased costs relating to the significant grants program.

ASSET INVESTMENT PROGRAM

The asset investment program for 2011-12 is estimated at \$6.7 million. In support of delivering services the Department has a high reliance on Information Technology (IT) systems in respect to databases, record keeping and communications. Investment in assets mainly relates to developing the Department's IT infrastructure.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
Accommodation Infrastructure							
Relocation of Energy Safety and Resources Safety							
Divisions to Cannington	2,187	1,916	-	-	271	-	-
Bentley Technology Park - Stage 1 Implementation	9,619	6,435	-	-	-	1,548	1,636
Business Systems Development and Enhancement							
Business Names System (Western Australia)	1,999	1,423	-	-	480	96	-
Worksafe Information System Environment	2,884	2,411	179	-	473	-	-
IT Infrastructure							
Asset Replacement	5,067	306	306	969	2,014	1,778	-
Service Improvement	911	536	327	-	138	237	-
System Stabilisation	8,339	4,310	3,643	3,799	230	-	-
Marine Industry Technology Park (Munster)	559	16	-	-	-	543	-
Other Works - Southern Precinct	1,865	321	100	100	-	1,444	-
PC Replacement Plan - 2008-09 Program	257	20	-	-	-	237	-
NEW WORKS							
IT Infrastructure - Customer Focused Service Delivery	2,987	-	-	1,788	1,014	185	-
Total Cost of Asset Investment Program	36,674	17,694	4,555	6,656	4,620	6,068	1,636
FUNDED BY							
Capital Appropriation			425	1,888	1,000	-	-
Drawdowns from the Holding Account			3,349	3,092	2,396	2,200	-
Internal Funds and Balances			781	1,676	1,224	3,868	1,636
Total Funding			4,555	6,656	4,620	6,068	1,636

FINANCIAL STATEMENTS

Income Statement

Expenses

The Income Statement reflects an estimated increase in the 2011-12 Budget Estimate for the Total Cost of Services of \$57.2 million (32.5%) when compared to the 2010-11 Estimated Actual. This is mainly due to a significant increase in the industry, science and innovation grants program, gas rectification subsidy payments and the costs associated with the proposed building services levy in 2011-12.

Income

Income is estimated to be \$76.3 million in the 2011-12 Budget Estimate. This represents an increase of \$20.2 million (35.9%) from the 2010-11 Estimated Actual. The primary reasons for this increase are impacts of the gas rectification project and increased funding received for the building services levy.

The increase in Income from State Government in the 2011-12 Budget Estimate of \$39.8 million (34.9%) compared to the 2010-11 Estimated Actual recognises the increased funding for the industry, science and innovation grants program and increased Royalties for Regions funding for the regional mobile communications project and the Pilbara maritime common use support facility.

Statement of Cashflows

The increases in Cashflows from State Government and Net Cash outgoing from operating activities of \$40.1 million (35.4%) and \$37.9 million (32.5%) respectively from the 2010-11 Estimated Actual to the 2011-12 Budget Estimate are primarily due to the reasons detailed in the explanation for variations in the Income Statement above.

INCOME STATEMENT ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	83,968	79,711	80,282	89,199	89,358	97,540	100,337
Grants and subsidies ^(c)	47,842	45,098	40,730	70,565	44,830	24,490	6,857
Supplies and services	21,060	24,076	37,781	54,279	37,521	44,064	37,750
Accommodation	13,237	10,075	10,075	10,215	10,192	13,192	13,192
Depreciation and amortisation	1,606	1,242	1,242	1,243	1,243	1,243	1,243
Other expenses	3,738	5,021	5,786	7,576	6,803	8,956	9,054
TOTAL COST OF SERVICES.....	171,451	165,223	175,896	233,077	189,947	189,485	168,433
Income							
Sale of goods and services	12,309	10,993	11,506	11,141	10,412	10,412	10,399
Regulatory fees and fines	23,827	23,626	27,673	39,898	40,286	43,278	41,130
Grants and subsidies	1,585	5,402	7,258	4,149	2,519	713	-
Other revenue	4,051	2,620	9,720	21,120	620	630	630
Total Income	41,772	42,641	56,157	76,308	53,837	55,033	52,159
NET COST OF SERVICES	129,679	122,582	119,739	156,769	136,110	134,452	116,274
INCOME FROM STATE GOVERNMENT							
Service appropriations	123,301	112,996	112,996	139,978	107,506	116,783	113,771
Resources received free of charge	1,427	752	752	752	752	752	752
Royalties for regions fund ^(d)	-	8,000	295	13,098	20,101	11,800	-
TOTAL INCOME FROM STATE GOVERNMENT	124,728	121,748	114,043	153,828	128,359	129,335	114,523
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(4,951)	(834)	(5,696)	(2,941)	(7,751)	(5,117)	(1,751)
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	(4,951)	(834)	(5,696)	(2,941)	(7,751)	(5,117)	(1,751)

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

(b) The Full Time Equivalents (FTEs) for 2009-10 Actual, 2010-11 Estimated Actual and 2011-12 Estimates are 963, 996 and 1030 respectively. In some cases the figures for 2009-10 and 2010-11 may differ from previously published figures due to changes in calculation methodology.

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

(d) Regional Infrastructure and Headworks Fund - \$8.0 million (2010-11), \$0.2 million (2010-11 Estimated Out Turn), \$13.0 million (2011-12), \$20.0 million (2012-13), \$11.8 million (2013-14), Regional Community Services Fund - \$0.1 million (2010-11 Estimated Out Turn), \$0.1 million (2011-12), \$0.1 million (2012-13).

Details of Controlled Grants and Subsidies

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Asbestos Disease Society	100	100	100	100	100	100	100
Australian Building Codes Board.....	150	265	265	333	316	316	299
Employment Law Centre Western Australia	236	196	196	207	-	-	-
Farmsafe Western Australia Alliance.....	70	70	70	70	70	70	70
Other Miscellaneous.....	121	13	4	14	15	17	-
Royalties for Regions - Regional Communications Program	-	8,000	797	13,000	20,000	11,800	-
Safety and Health - Chamber of Commerce and Industry Western Australia	18	-	-	-	-	-	-
Science and Innovation	47,140	36,454	39,298	56,841	24,329	12,187	6,388
Trades and Labour Council of Western Australia.....	7	-	-	-	-	-	-
TOTAL.....	47,842	45,098	40,730	70,565	44,830	24,490	6,857

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	9,181	12,390	9,821	7,901	5,935	1,333	233
Restricted cash.....	10,802	6,573	8,236	5,573	3,476	110	110
Holding account receivables.....	1,267	3,092	3,092	2,396	2,200	-	-
Receivables	13,063	10,865	13,364	13,659	13,947	12,704	12,704
Other.....	1,094	2,174	1,548	2,003	2,458	2,915	2,915
Total current assets.....	35,407	35,094	36,061	31,532	28,016	17,062	15,962
NON-CURRENT ASSETS							
Holding account receivables.....	12,831	8,899	8,899	7,746	6,789	8,032	9,275
Property, plant and equipment.....	49,223	40,502	49,210	50,008	49,157	50,650	51,043
Intangibles	5,152	8,705	8,673	13,454	17,571	19,355	19,355
Restricted cash.....	1,449	1,149	1,449	1,449	1,449	1,449	1,449
Other.....	7,451	15,923	8,153	8,889	9,909	11,457	11,457
Total non-current assets	76,106	75,178	76,384	81,546	84,875	90,943	92,579
TOTAL ASSETS.....	111,513	110,272	112,445	113,078	112,891	108,005	108,541
CURRENT LIABILITIES							
Employee provisions	14,777	16,781	16,307	17,842	19,377	20,909	22,441
Payables.....	4,134	6,242	4,134	4,134	4,134	4,134	4,134
Other.....	5,573	4,271	4,984	4,984	4,984	4,984	4,984
Total current liabilities	24,484	27,294	25,425	26,960	28,495	30,027	31,559
NON-CURRENT LIABILITIES							
Employee provisions	5,862	7,392	6,611	7,363	8,115	8,870	9,625
Other.....	3,487	4,623	4,484	3,983	8,260	6,204	6,204
Total non-current liabilities	9,349	12,015	11,095	11,346	16,375	15,074	15,829
TOTAL LIABILITIES	33,833	39,309	36,520	38,306	44,870	45,101	47,388
EQUITY							
Contributed equity.....	75,694	71,078	79,735	81,623	82,623	82,623	82,623
Accumulated surplus/(deficit)	(637)	(7,170)	(6,333)	(9,274)	(17,025)	(22,142)	(23,893)
Reserves	2,623	7,055	2,523	2,423	2,423	2,423	2,423
Total equity.....	77,680	70,963	75,925	74,772	68,021	62,904	61,153
TOTAL LIABILITIES AND EQUITY	111,513	110,272	112,445	113,078	112,891	108,005	108,541

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	122,059	111,754	111,754	138,735	106,263	115,540	112,528
Capital appropriation	1,611	425	425	1,888	1,000	-	-
Holding account drawdowns	1,267	3,349	3,349	3,092	2,396	2,200	-
Royalties for regions fund ^(b)	-	8,300	295	13,098	20,101	11,800	-
Net cash provided by State Government	124,937	123,828	115,823	156,813	129,760	129,540	112,528
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(81,569)	(77,676)	(78,247)	(87,141)	(87,300)	(95,482)	(98,279)
Grants and subsidies	(47,842)	(45,098)	(40,730)	(70,565)	(44,830)	(24,490)	(6,857)
Supplies and services	(21,080)	(22,888)	(36,593)	(53,989)	(32,354)	(43,292)	(35,708)
Accommodation	(14,381)	(9,594)	(9,594)	(9,734)	(9,711)	(12,711)	(12,711)
Other payments	(11,204)	(10,129)	(10,894)	(12,685)	(11,911)	(13,551)	(13,649)
Receipts							
Regulatory fees and fines	29,180	22,800	26,847	39,072	39,460	42,452	40,304
Grants and subsidies	800	5,402	7,258	4,149	2,519	713	-
Sale of goods and services	12,816	12,210	12,723	12,333	11,604	11,604	11,591
GST receipts	7,660	2,570	2,570	2,570	2,570	2,570	2,570
Other receipts	4,915	2,750	9,850	21,250	750	747	747
Net cash from operating activities	(120,705)	(119,653)	(116,810)	(154,740)	(129,203)	(131,440)	(111,992)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(5,874)	(4,074)	(4,555)	(6,656)	(4,620)	(6,068)	(1,636)
Proceeds from sale of non-current assets	684	-	-	-	-	-	-
Net cash from investing activities	(5,190)	(4,074)	(4,555)	(6,656)	(4,620)	(6,068)	(1,636)
CASHFLOWS FROM FINANCING ACTIVITIES							
Other proceeds	(200)	-	-	-	-	-	-
Net cash from financing activities	(200)	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	(1,158)	101	(5,542)	(4,583)	(4,063)	(7,968)	(1,100)
Cash assets at the beginning of the reporting period	20,579	16,395	21,432	19,506	14,923	10,860	2,892
Net cash transferred to/from other agencies	2,011	3,616	3,616	-	-	-	-
Cash assets at the end of the reporting period	21,432	20,112	19,506	14,923	10,860	2,892	1,792

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

(b) Regional Infrastructure and Headworks Fund - \$8.3 million (2010-11), \$0.2 million (2010-11 Estimated Out Turn), \$13.0 million (2011-12), \$20.0 million (2012-13), \$11.8 million (2013-14), Regional Community Services Fund - \$0.1 million (2010-11 Estimated Out Turn), \$0.1 million (2011-12), \$0.1 million (2012-13).

DETAILS OF ADMINISTERED TRANSACTIONS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
INCOME							
Taxation							
Business Names Registrations.....	5,406	5,033	5,033	2,592	-	-	-
Credit Providers	852	901	35	-	-	-	-
Employment Agents.....	251	344	344	354	365	376	376
Finance Brokers	1,000	1,590	1	-	-	-	-
Land Valuers	81	81	81	83	86	88	88
Motor Vehicle Dealers	817	838	838	704	725	746	769
Other Registration Fees.....	139	112	112	115	119	122	122
Other Regulatory Fees.....	834	51	51	54	54	57	57
Travel Agents	243	299	299	308	317	327	327
Commonwealth Grants							
Commonwealth Grant Revenue - Recurrent.....	776	300	300	300	300	300	300
Fines							
Regulatory Fines	137	250	250	250	250	250	250
Other							
Admin Grants and Transfer Payments.....	-	5	5	-	-	-	-
Other Miscellaneous.....	383	888	888	888	888	888	888
Rental Accommodation Account - Interest	8,032	6,115	6,115	6,365	6,615	6,615	6,615
TOTAL INCOME	18,951	16,807	14,352	12,013	9,719	9,769	9,792
EXPENSES							
Grants To Charitable And Other Public Bodies							
Rental Accommodation Account - Grants.....	3,637	1,620	1,620	1,615	1,615	1,615	1,615
Other							
Interest Expense	41	102	102	104	106	106	106
Payments to Consolidated Account.....	10,130	9,499	7,044	4,460	1,916	1,966	1,989
Employee Benefits	215	127	127	132	137	137	137
Services and Contracts Expense.....	783	3,110	3,110	3,110	3,110	3,110	3,110
TOTAL EXPENSES	14,806	14,458	12,003	9,421	6,884	6,934	6,957

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:

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
GST Receipts on Sales	7,660	2,570	2,570	2,570	2,570	2,570	2,570
Grants - Commonwealth	800	5,402	7,258	4,149	2,519	713	-
Proceeds from Departmental Miscellaneous	4,915	2,750	9,850	21,250	750	747	747
Proceeds from Fees and Charges - Licenses.....	25,922	20,618	24,724	37,607	39,429	42,420	40,274
Proceeds from Fees and Charges - Other	3,258	2,182	2,123	1,465	31	32	30
Sale of Goods and Services	4,308	3,655	4,331	2,733	2,904	2,804	2,936
Services Provided - Real Estate Business Agents and Settlement Agents Supervisory Boards	8,508	8,555	8,392	9,600	8,700	8,800	8,655
TOTAL.....	55,371	45,732	59,248	79,374	56,903	58,086	55,212

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 - MINISTER FOR FINANCE; COMMERCE; SMALL BUSINESS

DIVISION 41

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 66 Net amount appropriated to deliver services	12,206	11,897	11,897	12,055	10,571	10,876	11,166
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975.....	202	218	218	222	228	235	242
Total appropriations provided to deliver services	12,408	12,115	12,115	12,277	10,799	11,111	11,408
CAPITAL							
Item 138 Capital Appropriation.....	84	78	78	84	84	78	78
TOTAL APPROPRIATIONS	12,492	12,193	12,193	12,361	10,883	11,189	11,486
EXPENSES							
Total Cost of Services	13,407	13,058	13,926	12,837	11,690	11,690	12,086
Net Cost of Services ^(a)	12,253	12,255	12,823	12,010	10,854	11,142	11,538
CASH ASSETS ^(b)	1,553	1,331	764	1,170	1,117	1,021	902

(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 SPENDING CHANGES

Details of major decisions impacting on the agency's Income Statement since publication of the 2010-11 Budget to Parliament on 20 May 2010 are outlined below.

	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Business Migration Program	-	500	-	-	-
Small Business Commissioner	-	300	-	-	-

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
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	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
1. Information, Guidance, Referral and Business Development Services	13,407	13,058	13,926	12,837	11,690	11,690	12,086
Total Cost of Services.....	13,407	13,058	13,926	12,837	11,690	11,690	12,086

Significant Issues Impacting the Agency

- Legislation to establish a Small Business Commissioner in Western Australia is currently before the Parliament of Western Australia. The Small Business Commissioner will provide a low cost, non-litigious service to small businesses to resolve all types of business disputes. It is anticipated this service will be available to small businesses in 2011.
- A major education and awareness campaign will be undertaken to assist small businesses to develop a better understanding of their rights and obligations when dealing with other businesses, especially in relation to negotiating retail leases, franchise agreements and contract arrangements generally. The emphasis of this campaign will be to assist small businesses to avoid, or at least minimise, business to business disputes through a better understanding of the key issues to focus on, and the major pitfalls to avoid.
- A new service will be introduced to receive and deal with complaints about retail tenancy disputes, the unfair market practices employed against small businesses by other businesses and the commercial activities of government agencies where they impact negatively on small businesses. This service will provide information and guidance to small businesses and hands on assistance and support in investigating the complaint and liaising with the respondent. Its particular focus will be on resolving disputes between landlords and tenants.
- A panel of private sector mediators will be established to provide dispute resolution services for business in relation to retail tenancy matters and small business disputes arising from unfair market practices. The costs of this mediation service will be subsidised by the State Government. It is expected that the provision of this service will reduce the number of retail tenancy disputes going before the State Administrative Tribunal and assist businesses to resolve disputes through a simpler, less litigious process.

- Business migrants represent a key investment attraction avenue for the State and are a prime source of new capital, business establishment, export income, and employment generation. In 2010-11, the Business Migration Program is anticipated to attract over \$250 million in new capital from sponsored and registered business migrants and generate 280 jobs for Western Australia. In a market affected by the high rate of the Australian dollar and increasing labour shortages, the program is forecast to further deliver over \$200 in new capital and generate 200 jobs in 2011-12.
- The State Government continues to progress the Business Online Services project, which is part of the Council of Australian Governments (COAG) Seamless National Economy initiative. The project aims to provide unified national online services for businesses and in 2011-12 will deliver a national business licence and information service and Australian Business Account in Western Australia. This will enable existing and prospective business operators to access licence and regulatory information relevant to their operations and transact with all levels of government through a single national client account.
- During 2010-11, the rapid response service provided prompt assistance to regional small businesses affected by major changes to the natural or economic environment. The service supported non-farm small businesses impacted by the drought, businesses adversely affected by the closure of the Gunns saw mill in Manjimup, and those Carnarvon businesses impacted by the December 2010 floods.
- The State-wide network of 25 Small Business Centres (SBCs) plays a significant role in delivering small business services and programs under contract for the Corporation, particularly in regional areas of Western Australia. Each SBC is managed by an experienced business operator, who is able to assist small businesses to grow their business or explore new business ideas. In 2010-11, Corporation support for the network focused on the professional and personal development of SBC managers to improve the strategic and innovative delivery of services to small business clients.

Outcomes and Key Effectiveness Indicators ^(a)

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 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	91%	90%	90%	90%	
- Not very or not at all useful.....	7%	0%	5%	0%	
- Neutral	2%	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.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service	\$'000 13,407	\$'000 13,058	\$'000 13,926	\$'000 12,837	1
Less Income	1,154	803	1,103	827	
Net Cost of Service	12,253	12,255	12,823	12,010	
Employees (Full Time Equivalents)	59	56	56	57	
Efficiency Indicators ^(a)					
Average Cost per Direct Client Contact/Equivalent ^(b)	\$25.73	\$18.82	\$25.26	\$20.26	1
Average Cost per Indirect Client Contact ^(c)	\$2.34	\$2.16	\$2.30	\$2.25	
Average Cost per Small Business Centre Client Contact ^(d)	\$75.81	\$96.39	\$80.64	\$85.92	2
Cost per Unit of Policy Advice ^(e)	\$1,322,430	\$1,447,358	\$1,318,045	\$1,416,071	

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

(b) Direct client contacts have contacted the agency for guidance or information either by a personal visit, by telephone or have visited the agency websites for equal to or greater than four minutes, or a Business License Information Service website for equal to or greater than two minutes. Equivalent client contacts are serviced through provision of grant money.

(c) Indirect client contacts are exposed to a display of 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 the agency has organised, has been the major sponsor of or where the focus has been on business development, or where an agency representative has given an address on small business matters. This also includes agency website visits between two and four minutes.

(d) A network of 25 Small Business Centres operate throughout Western Australia.

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

Explanation of Significant Movements

(Notes)

1. The reduction in the Total Cost of Service and the Average Cost per Direct Client Contact/Equivalent between the 2010-11 Estimated Actual and the 2011-12 Budget Target of \$1.1 million (7.8%) and \$5 (19.8%) respectively is due to the finalisation of the Small Business Resilience Program (BIZFIT) in 2010-11.
2. The increase in the Average Cost per Small Business Centre Client Contact between the 2010-11 Estimated Actual and the 2011-12 Budget Target of \$5.28 (6.5%) is due to an increase in Small Business Centres - Operational Grants in 2011-12.

ASSET INVESTMENT PROGRAM

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COMPLETED WORKS							
Furniture and Office Equipment Replacement 2010-11 Program.....	200	200	200	-	-	-	-
NEW WORKS							
Furniture and Office Equipment Replacement 2011-12 Program.....	200	-	-	200	-	-	-
2012-13 Program.....	200	-	-	-	200	-	-
2013-14 Program.....	200	-	-	-	-	200	-
2014-15 Program.....	200	-	-	-	-	-	200
Total Cost of Asset Investment Program.....	1,000	200	200	200	200	200	200
FUNDED BY							
Capital Appropriation.....			78	84	84	78	78
Drawdowns from the Holding Account.....			122	116	116	122	116
Internal Funds and Balances.....			-	-	-	-	6
Total Funding			200	200	200	200	200

FINANCIAL STATEMENTS**Income Statement***Expenses*

Supplies and services expenditure is estimated to be \$1.6 million in the 2011-12 Budget Estimate, representing a reduction of \$0.6 million (27.7%) from the 2010-11 Estimated Actual. Other expenses is estimated to be \$0.7 million in the 2011-12 Budget Estimate, representing a reduction of \$0.3 million (27.9%) from the 2010-11 Estimated Actual. Both reductions are due primarily to the finalisation of the BIZFIT in 2010-11.

Income

Other revenue is estimated to be \$0.2 million in the 2011-12 Budget Estimate representing a reduction of \$0.3 million (62.5%) from the 2010-11 Estimated Actual. This income relates primarily to funding from Tourism Western Australia in 2010-11 for the Corporation to deliver business development support to mainstream tourism aspirants and operators, and a Capacity Building Program for Aboriginal tourism operators.

Statement of Financial Position

Cash assets are estimated to be \$1.2 million in the 2011-12 Budget Estimate representing an increase of \$0.4 million (53.1%) from the 2010-11 Estimated Actual. The increase is primarily due to the deferral of appropriation from the Department of Treasury of \$0.5 million from 2010-11 to 2011-12.

INCOME STATEMENT ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	5,626	6,062	5,579	5,917	6,114	6,337	6,585
Grants and subsidies ^(c)	3,022	3,270	3,910	3,627	3,180	3,234	3,289
Supplies and services	2,449	1,539	2,250	1,627	816	654	750
Accommodation	1,042	1,050	1,050	814	814	814	814
Depreciation and amortisation	232	116	116	116	122	116	116
Other expenses	1,036	1,021	1,021	736	644	535	532
TOTAL COST OF SERVICES	13,407	13,058	13,926	12,837	11,690	11,690	12,086
Income							
Sale of goods and services	935	368	368	368	368	368	368
Grants and subsidies	-	255	255	279	288	-	-
Other revenue	219	180	480	180	180	180	180
Total Income	1,154	803	1,103	827	836	548	548
NET COST OF SERVICES	12,253	12,255	12,823	12,010	10,854	11,142	11,538
INCOME FROM STATE GOVERNMENT							
Service appropriations	12,408	12,115	12,115	12,277	10,799	11,111	11,408
Resources received free of charge	16	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	12,424	12,115	12,115	12,277	10,799	11,111	11,408
SURPLUS/(DEFICIENCY) FOR THE PERIOD	171	(140)	(708)	267	(55)	(31)	(130)
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	171	(140)	(708)	267	(55)	(31)	(130)

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

(b) The Full Time Equivalents (FTEs) for 2009-10 Actual, 2010-11 Estimated Actual and 2011-12 Estimates are 59, 56 and 57 respectively. In some cases the figures for 2009-10 and 2010-11 may differ from previously published figures due to changes in calculation methodology.

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

Details of Controlled Grants and Subsidies

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Capacity Building Program	-	-	150	-	-	-	-
Dry Seasons Assistance Program	-	-	500	-	-	-	-
Export Accelerator Program	-	10	-	-	-	-	-
Small Business Centres - Capital Grants	-	185	185	-	-	-	-
Small Business Centres - Operational Grants	3,022	3,075	3,075	3,627	3,180	3,234	3,289
TOTAL	3,022	3,270	3,910	3,627	3,180	3,234	3,289

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	1,553	1,331	764	1,170	1,117	1,021	902
Holding account receivables.....	122	116	116	116	122	116	116
Receivables	243	156	243	243	243	243	243
Other.....	276	185	183	125	165	157	140
Total current assets.....	2,194	1,788	1,306	1,654	1,647	1,537	1,401
NON-CURRENT ASSETS							
Holding account receivables.....	124	139	139	154	163	178	193
Property, plant and equipment.....	281	611	363	444	520	602	684
Intangibles	102	156	104	106	109	111	113
Total non-current assets	507	906	606	704	792	891	990
TOTAL ASSETS.....	2,701	2,694	1,912	2,358	2,439	2,428	2,391
CURRENT LIABILITIES							
Employee provisions	690	961	703	715	723	733	743
Payables.....	27	31	27	27	27	27	27
Other.....	437	191	260	338	379	306	306
Total current liabilities	1,154	1,183	990	1,080	1,129	1,066	1,076
NON-CURRENT LIABILITIES							
Employee provisions	355	323	360	365	368	373	378
Other.....	17	15	17	17	17	17	17
Total non-current liabilities	372	338	377	382	385	390	395
TOTAL LIABILITIES	1,526	1,521	1,367	1,462	1,514	1,456	1,471
EQUITY							
Contributed equity.....	863	1,583	941	1,025	1,109	1,187	1,265
Accumulated surplus/(deficit)	312	(410)	(396)	(129)	(184)	(215)	(345)
Total equity.....	1,175	1,173	545	896	925	972	920
TOTAL LIABILITIES AND EQUITY	2,701	2,694	1,912	2,358	2,439	2,428	2,391

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	12,277	11,984	11,984	12,146	10,668	10,980	11,277
Capital appropriation	84	78	78	84	84	78	78
Holding account drawdowns	116	122	122	116	116	122	116
Net cash provided by State Government	12,477	12,184	12,184	12,346	10,868	11,180	11,471
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(5,937)	(5,998)	(5,515)	(5,832)	(6,051)	(6,274)	(6,522)
Grants and subsidies	(3,123)	(3,270)	(3,910)	(3,627)	(3,180)	(3,234)	(3,289)
Supplies and services	(2,244)	(1,456)	(2,167)	(1,557)	(867)	(766)	(800)
Accommodation	(1,075)	(1,050)	(1,050)	(814)	(814)	(814)	(814)
Other payments	(1,590)	(1,702)	(1,914)	(1,417)	(1,325)	(1,216)	(1,193)
Receipts							
Grants and subsidies	-	255	255	279	288	-	-
Sale of goods and services	944	368	368	368	368	368	368
GST receipts	713	680	680	680	680	680	680
Other receipts	277	180	480	180	180	180	180
Net cash from operating activities	(12,035)	(11,993)	(12,773)	(11,740)	(10,721)	(11,076)	(11,390)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(10)	(200)	(200)	(200)	(200)	(200)	(200)
Net cash from investing activities	(10)	(200)	(200)	(200)	(200)	(200)	(200)
NET INCREASE/(DECREASE) IN CASH HELD	432	(9)	(789)	406	(53)	(96)	(119)
Cash assets at the beginning of the reporting period	1,764	1,340	1,553	764	1,170	1,117	1,021
Net cash transferred to/from other agencies	(643)	-	-	-	-	-	-
Cash assets at the end of the reporting period	1,553	1,331	764	1,170	1,117	1,021	902

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

REGISTRAR, WESTERN AUSTRALIAN INDUSTRIAL RELATIONS COMMISSION

PART 8 - MINISTER FOR FINANCE; COMMERCE; SMALL BUSINESS

DIVISION 42

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 67 Net amount appropriated to deliver services	8,775	8,637	8,634	8,964	8,948	9,230	9,466
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975.....	2,129	2,091	2,091	2,270	2,319	2,367	2,414
Total appropriations provided to deliver services	10,904	10,728	10,725	11,234	11,267	11,597	11,880
TOTAL APPROPRIATIONS	10,904	10,728	10,725	11,234	11,267	11,597	11,880
EXPENSES							
Total Cost of Services	10,646	10,940	10,717	11,348	11,738	12,455	12,603
Net Cost of Services ^(a)	10,278	10,860	10,637	11,268	11,658	12,375	12,523
CASH ASSETS ^(b)	2,864	2,707	3,025	2,990	2,459	1,569	846

(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.

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: 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	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
1. Support to the Western Australian Industrial Relations Commission and Industrial Magistrates Court	5,141	5,164	5,278	5,610	5,803	6,157	6,230
2. Conciliation and Arbitration by the Western Australian Industrial Relations Commission	5,505	5,776	5,439	5,738	5,935	6,298	6,373
Total Cost of Services.....	10,646	10,940	10,717	11,348	11,738	12,455	12,603

Significant Issues Impacting the Agency

The Government commissioned the Amendola Review of the State industrial relations system in June 2009, which was released in December 2010. The Government is expecting to complete community consultation before June 2011, after which it will make a decision on which recommendations of the review it will implement. An assessment can then be made as to the impact on the Department.

Outcomes and Key Effectiveness Indicators ^(a)

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 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	77%	90%	85%	90%	
Accuracy and relevance of information.....	73%	90%	83%	90%	

(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 the 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.

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Target \$'000	Note
Total Cost of Service.....	5,141	5,164	5,278	5,610	
Less Income.....	80	80	80	80	
Net Cost of Service	5,061	5,084	5,198	5,530	
Employees (Full Time Equivalents)	33	37	34	37	1
Efficiency Indicators					
Average Cost per Application Registered and Recorded.....	\$4,845	\$5,902	\$6,209	\$6,426	

Explanation of Significant Movements

(Notes)

1. The 2010-11 Estimated Actual FTE count is lower than the 2010-11 Budget due to positions remaining vacant during the year, and some employees being on extended leave.

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.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 5,505	\$'000 5,776	\$'000 5,439	\$'000 5,738	
Less Income.....	288	-	-	-	1
Net Cost of Service	5,217	5,776	5,439	5,738	

Explanation of Significant Movements

(Notes)

1. The 2009-10 Actual Income represents a recoup of funding transferred to the Department of the Attorney General, as legislation to restructure the Commission did not proceed.

ASSET INVESTMENT PROGRAM

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COMPLETED WORKS							
Asset Replacement - Information Technology 2010-11 Program.....	370	370	370	-	-	-	-
NEW WORKS							
Asset Replacement - Information Technology 2011-12 Program.....	160	-	-	160	-	-	-
2012-13 Program.....	180	-	-	-	180	-	-
2013-14 Program.....	160	-	-	-	-	160	-
2014-15 Program.....	160	-	-	-	-	-	160
Total Cost of Asset Investment Program.....	1,030	370	370	160	180	160	160
FUNDED BY							
Drawdowns from the Holding Account.....			370	160	180	160	160
Total Funding			370	160	180	160	160

FINANCIAL STATEMENTS**Statement of Financial Position**

Total Non-Current Assets are estimated to increase due to an increased amount of depreciation than originally budgeted. This increase in depreciation is held in the Holding Account to fund future asset replacements.

INCOME STATEMENT ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	6,302	6,206	6,090	6,624	6,917	7,142	7,281
Supplies and services	1,006	1,188	1,184	1,169	1,220	1,440	1,446
Accommodation	2,683	2,800	2,719	2,861	2,920	3,198	3,220
Depreciation and amortisation	248	286	281	234	202	198	219
Other expenses	438	460	443	460	479	477	437
TOTAL COST OF SERVICES	10,677	10,940	10,717	11,348	11,738	12,455	12,603
Income							
Sale of goods and services	80	80	80	80	80	80	80
Other revenue	288	-	-	-	-	-	-
Total Income	368	80	80	80	80	80	80
NET COST OF SERVICES	10,309	10,860	10,637	11,268	11,658	12,375	12,523
INCOME FROM STATE GOVERNMENT							
Service appropriations	10,904	10,728	10,725	11,234	11,267	11,597	11,880
Resources received free of charge	26	50	50	50	50	50	50
TOTAL INCOME FROM STATE GOVERNMENT	10,930	10,778	10,775	11,284	11,317	11,647	11,930
SURPLUS/(DEFICIENCY) FOR THE PERIOD	621	(82)	138	16	(341)	(728)	(593)
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	621	(82)	138	16	(341)	(728)	(593)

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

(b) The Full Time Equivalents (FTEs) for 2009-10 Actual, 2010-11 Estimated Actual and 2011-12 Estimates are 52, 52 and 55 respectively. In some cases the figures for 2009-10 and 2010-11 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	2,729	2,542	2,860	2,795	2,234	1,314	591
Holding account receivables.....	370	370	160	180	160	160	160
Receivables	120	164	183	213	286	399	454
Other.....	105	52	170	190	238	392	408
Total current assets.....	3,324	3,128	3,373	3,378	2,918	2,265	1,613
NON-CURRENT ASSETS							
Holding account receivables.....	931	731	1,052	1,106	1,148	1,186	1,245
Property, plant and equipment.....	342	455	444	343	344	296	244
Intangibles	8	1	6	44	33	54	59
Restricted cash.....	135	165	165	195	225	255	255
Other.....	58	76	47	36	24	13	1
Total non-current assets	1,474	1,428	1,714	1,724	1,774	1,804	1,804
TOTAL ASSETS.....	4,798	4,556	5,087	5,102	4,692	4,069	3,417
CURRENT LIABILITIES							
Employee provisions	1,519	1,904	1,568	1,590	1,570	1,577	1,624
Payables.....	150	154	150	86	96	72	34
Other.....	164	114	180	212	153	166	113
Total current liabilities	1,833	2,172	1,898	1,888	1,819	1,815	1,771
NON-CURRENT LIABILITIES							
Employee provisions	403	443	489	498	498	607	592
Other.....	1	2	1	1	1	1	1
Total non-current liabilities	404	445	490	499	499	608	593
TOTAL LIABILITIES	2,237	2,617	2,388	2,387	2,318	2,423	2,364
EQUITY							
Contributed equity.....	495	495	495	495	495	495	495
Accumulated surplus/(deficit)	2,045	1,423	2,183	2,199	1,858	1,130	537
Reserves	21	21	21	21	21	21	21
Total equity.....	2,561	1,939	2,699	2,715	2,374	1,646	1,053
TOTAL LIABILITIES AND EQUITY	4,798	4,556	5,087	5,102	4,692	4,069	3,417

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	10,754	10,558	10,444	11,000	11,065	11,399	11,661
Holding account drawdowns	60	370	370	160	180	160	160
Net cash provided by State Government.....	10,814	10,928	10,814	11,160	11,245	11,559	11,821
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(6,506)	(6,186)	(5,926)	(6,491)	(6,943)	(7,078)	(7,251)
Supplies and services.....	(1,071)	(1,218)	(1,250)	(1,284)	(1,307)	(1,405)	(1,349)
Accommodation	(2,679)	(2,800)	(2,719)	(2,862)	(2,898)	(3,275)	(3,298)
Other payments	(903)	(772)	(931)	(951)	(1,011)	(1,104)	(1,069)
Receipts							
Sale of goods and services.....	76	80	80	80	80	80	80
GST receipts.....	438	314	463	473	483	493	503
Other receipts	288	-	-	-	-	-	-
Net cash from operating activities.....	(10,357)	(10,582)	(10,283)	(11,035)	(11,596)	(12,289)	(12,384)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(59)	(370)	(370)	(160)	(180)	(160)	(160)
Net cash from investing activities.....	(59)	(370)	(370)	(160)	(180)	(160)	(160)
CASHFLOWS FROM FINANCING ACTIVITIES							
Other proceeds.....	(120)	-	-	-	-	-	-
Net cash from financing activities	(120)	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	278	(24)	161	(35)	(531)	(890)	(723)
Cash assets at the beginning of the reporting period	2,586	2,731	2,864	3,025	2,990	2,459	1,569
Cash assets at the end of the reporting period	2,864	2,707	3,025	2,990	2,459	1,569	846

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

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:

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
GST Input Credits	427	311	460	470	480	490	500
GST Receipts on Sales	11	3	3	3	3	3	3
Service Charges, Transcript and Award Sales and Other Receipts	364	80	80	80	80	80	80
TOTAL.....	802	394	543	553	563	573	583

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

WORKCOVER WA AUTHORITY

ASSET INVESTMENT PROGRAM

WorkCover WA's total approved asset investment program for 2011-12 is \$765,000. The approved projects that are planned or underway include:

- Computer Hardware and Software - replacement of the existing Financial Management Information System (FMIS) to enable going live with the new solution on 1 July 2011. Replacement and upgrade of the Core Business Systems, including the Dispute Resolution Case Management System and Information Technology Infrastructure is currently underway and due to be completed in 2011-12;
- Other Equipment - ongoing works to facilitate upgrades and replacement of fleet and other office equipment; and
- Air Conditioner Replacement - replacement of the second ageing chiller at the Authority's premises has been deferred to 2012-13.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
Air Conditioning Replacement Program	774	424	-	-	350	-	-
Computer Hardware and Software	2,656	1,996	1,861	660	-	-	-
Other Equipment	570	205	60	105	70	120	70
COMPLETED WORKS							
Building Refurbishment Upgrades Office Accommodation	40	40	20	-	-	-	-
Total Cost of Asset Investment Program.....	4,040	2,665	1,941	765	420	120	70
FUNDED BY							
Internal Funds and Balances.....			1,941	765	420	120	70
Total Funding			1,941	765	420	120	70

Part 9

Minister for Police; Emergency Services; Road Safety

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2010-11 Budget \$' 000	2010-11 Estimated Actual \$' 000	2011-12 Budget Estimate \$' 000
489	Western Australia Police			
	- Delivery of Services.....	1,003,676	1,005,604	1,114,932
	- Capital Appropriation.....	93,212	70,737	65,593
	Total	1,096,888	1,076,341	1,180,525
506	Fire and Emergency Services Authority of Western Australia			
	- Delivery of Services.....	24,544	22,787	22,051
	Total	24,544	22,787	22,051
	GRAND TOTAL			
	- Delivery of Services.....	1,028,220	1,028,391	1,136,983
	- Capital Appropriation.....	93,212	70,737	65,593
	Total.....	1,121,432	1,099,128	1,202,576

WESTERN AUSTRALIA POLICE

PART 9 - MINISTER FOR POLICE; EMERGENCY SERVICES; ROAD SAFETY

DIVISION 43

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 68 Net amount appropriated to deliver services	937,277	1,000,353	1,002,279	1,111,455	1,103,053	1,164,653	1,211,910
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975.....	3,133	3,323	3,325	3,477	3,603	3,730	3,849
Total appropriations provided to deliver services	940,410	1,003,676	1,005,604	1,114,932	1,106,656	1,168,383	1,215,759
CAPITAL							
Item 139 Capital Appropriation.....	72,451	93,212	70,737	65,593	59,974	58,145	31,822
TOTAL APPROPRIATIONS	1,012,861	1,096,888	1,076,341	1,180,525	1,166,630	1,226,528	1,247,581
EXPENSES							
Total Cost of Services	979,734	1,039,191	1,086,086	1,130,905	1,155,795	1,218,082	1,265,875
Net Cost of Services ^(a)	935,982	1,002,031	1,041,476	1,083,872	1,113,002	1,174,941	1,222,834
CASH ASSETS ^(b)	125,572	85,377	56,471	68,513	68,025	72,228	76,431

- (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 SPENDING CHANGES

Details of major decisions impacting on the agency's Income Statement since publication of the 2010-11 Budget to Parliament on 20 May 2010 are outlined below.

	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Breath and Drug Buses.....	-	594	604	616	627
Commonwealth Heads of Government Meeting (CHOGM) 2011	11,697	26,208	-	-	-
Community Safety Network.....	229	2,123	2,964	3,668	4,185
Depreciation Costs	-	202	3,411	7,963	10,218
Enhanced Speed Enforcement Program	9,400	10,207	9,900	10,200	10,200
Hoon and No Motor Driver's Licence Suspension	11,450	9,400	9,300	9,200	9,100
ICT Infrastructure Replacement and Continuity	-	413	581	610	640
ICT Core Business Systems Development	-	3,000	4,500	4,500	-
Long Service Leave Actuarial Assessment	8,000	-	-	-	-

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
Results-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

Service Summary

Expense	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
1. Intelligence and Protective Services.....	81,586	71,261	122,631	151,103	117,753	124,099	128,968
2. Crime Prevention and Public Order.....	73,352	88,181	69,720	71,122	75,396	79,459	82,577
3. Community Support (Non-Offence Incidents)	72,049	81,911	88,769	90,554	95,996	101,169	105,139
4. Emergency Management and Coordination	20,086	38,793	27,631	28,187	29,881	31,491	32,727
5. Response to and Investigation of Offences	403,466	428,155	454,832	463,981	491,864	518,371	538,711
6. Services to the Judicial Process	143,183	118,347	104,371	106,470	112,869	118,951	123,618
7. Traffic Law Enforcement and Management....	186,012	212,543	218,132	219,488	232,036	244,542	254,135
Total Cost of Services.....	979,734	1,039,191	1,086,086	1,130,905	1,155,795	1,218,082	1,265,875

Significant Issues Impacting the Agency

- Establishing the Community Safety Network, and integrating the Fire and Emergency Services Authority and the Department of Corrective Services into this Network, to improve radio communication throughout regional Western Australia.
- Planning and implementing business changes, systems and training to support the Government's program to create a safer community through legislative change.
- Preparing for and delivering a security operation for the CHOGM 2011 will be a major draw on resources with considerable logistical challenges.

- Meeting recruitment, additional resource and training requirements in light of the expectation of a tightened labour market associated with the resource sector, including the need to attract the right mix of gender and diversity in the workforce.
- The growth in detected clandestine drug manufacturing due to changes in manufacturing techniques and amphetamine price and purity.
- The growth of the drug market in this State has resulted in a significant increase in national and international organised crime networks' focus on Western Australia as a potential market.
- Targeting excessive alcohol consumption through the expansion of liquor enforcement activities in both metropolitan and regional Western Australia.
- Escalation in anti-social and violent behaviour with the use of weapons.
- Keeping pace with emerging technologies to enable the apprehension of criminal syndicates committing cyber crimes.
- Provision of traffic enforcement activities to support the State Road Safety Strategy 'Towards Zero 2008-2020', through implementation of the Western Australia Police Road Policing Strategy 2011-2014.
- Rapid expansion of the mining industry and the Government's plan to decrease the amount of fly-in/fly-out employees in regional Western Australia will pose a challenge for the provision of policing services in regional centres.
- The establishment of an alcohol and drug testing regime for sworn officers.
- Continuing the development of the police hubbing model throughout the metropolitan area.
- Developing information technology (IT) applications to meet contemporary policing requirements in areas such as Investigative Case Management and Licensing and Permits Management.
- Managing impacts on policing services due to the increased incidence of major emergencies such as bushfires, floods and cyclones.
- Continuing to develop strong relationships between Western Australia Police and Culturally and Linguistically Diverse (CaLD) communities in Western Australia.
- The establishment of immigration detention centres in regional Western Australia may impact on frontline police resources.
- Storing, searching and utilising the rapidly growing amount of digital data collected by Western Australia Police from a variety of sources.
- Continuing the transition to greater centralisation of call taking and dispatch across Western Australia.

Outcomes and Key Effectiveness Indicators ^(a)

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Outcome: Lawful behaviour and community safety:					
Percentage of the community who were 'satisfied' or 'very satisfied' with services provided by police	67.3%	=>67%	70.2%	=>67%	
Percentage of the community who were 'satisfied' or 'very satisfied' with the service received during their most recent contact with police	82.5%	=>80%	82.8%	=>80%	
Percentage of the community who were 'somewhat concerned' or 'very concerned' about becoming a victim of the following crimes in the next 12 months:					
- physical assault in a public place	41.2%	<=42%	40.0%	<=42%	
- housebreaking	55.6%	<=57%	57.0%	<=57%	
- motor vehicle theft	42.2%	<=44%	43.2%	<=44%	
Percentage of the community who thought each of the following was a 'problem' or a 'major problem' in their own neighbourhood:					
- use of illegal drugs	48.8%	<=50%	47.5%	<=50%	
- louts or gangs	32.2%	<=34%	30.8%	<=34%	
- drunken or disorderly behaviour	42.6%	<=45%	40.8%	<=45%	
- speeding cars, dangerous or noisy driving	74.5%	<=76%	75.2%	<=76%	
State emergency management plans in place and current, and resources committed, where the Western Australia Police is the designated Hazard Management Agency, to prevent and minimise risk	7	7	7	7	
Outcome: Offenders apprehended and dealt with in accordance with the law:					
Sanction rate for offences against the person ^(b)	63.0%	=>60%	61.5%	=>60%	
Sanction rate for offences against property ^(b)	18.5%	=>16%	17.6%	=>16%	
Sanction rate for drug trafficking offences ^(b)	90.7%	=>89%	89.6%	=>89%	
Percentage of guilty pleas before trial	93.0%	93%	92.1%	93%	1
Percentage of convictions for matters listed for trial	61.1%	62%	62.1%	62%	
Number of deaths in custody for which the Western Australia Police is culpable	nil	nil	nil	nil	
Number of escapes from police lockups	2	nil	3	nil	
Outcome: Lawful road-user behaviour:					
Percentage of drivers tested for drink-driving who are found to exceed the lawful alcohol limit	2.6%	=>2.5%	2.3%	=>2.5%	2
Percentage of vehicles monitored for speeding by speed cameras that are found to exceed the lawful speed limit	16.6%	=>15%	18.1%	=>15%	3

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

(b) The sanction rate is based on the number of verified offences where an investigation outcome has been recorded of an offender(s) being apprehended or processed (such as arrest, summons, caution or referral to a Juvenile Justice Team), or where for some substantial reason, police investigations cannot be continued (such as withdrawn complaint; a statute bar to proceedings where an offender is under age, or claims diplomatic immunity, or other statute of limitations matters; circumstances where the incident was found to be a matter for civil action by the complainant; the offender has died; the offender is in another jurisdiction and extradition is not desired or available; and where the offender has been admitted to a psychiatric facility). The number of these offences within the relevant time period is expressed as a percentage of the number of verified offences reported during the same period. Verified offences are all offences reported to police within the relevant time period that have not been determined to be falsely or mistakenly reported.

Explanation of Significant Movements

(Notes)

1. The movement of the 2010-11 Estimated Actual from the 2010-11 Budget reflects a lower percentage of guilty pleas before trial. This has resulted from a significant reduction in the number of matters that have been placed before the Magistrate's Court. This reduction is attributed to a number of factors including: mandatory sentencing; Western Australia Police management of prolific and priority offenders; domestic violence policy; hoon legislation; and seizure of cars for motor driver's licence suspensions and double demerits.
2. The movement of the 2010-11 Estimated Actual from the 2010-11 Budget reflects a lower percentage of drivers tested for drink-driving who are found to exceed the lawful alcohol limit. The number of tests conducted in 2010-11 was similar to 2009-10, but the number of drivers found to exceed the lawful alcohol limit decreased. This is attributed to a change in strategy from targeted enforcement to a greater focus on Random Breath Testing in order to raise the public perception of the chances of being stopped 'anywhere, anytime'.
3. The movement of the 2010-11 Estimated Actual from the 2010-11 Budget Target reflects a higher percentage of vehicles monitored for speeding by speed cameras that are found to exceed the lawful speed limit. This is attributed to the improved effectiveness of new speed cameras that have been rolled-out during 2010-11 as part of the second phase of the enhanced speed enforcement program.

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.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 81,586	\$'000 71,261	\$'000 122,631	\$'000 151,103	1
Less Income.....	6,391	1,781	2,266	2,650	
Net Cost of Service	75,195	69,480	120,365	148,453	
Employees (Full Time Equivalents)	620	532	796	962	1
Efficiency Indicators					
Average Cost per Hour for Providing Intelligence and Protective Services ^(a) ...	\$100	\$105	\$117	\$117	1

(a) Calculated from internal police activity surveys.

Explanation of Significant Movements

(Notes)

1. The movement of the 2010-11 Estimated Actual and 2011-12 Budget Target from the 2010-11 Budget is mainly attributable to salary increases, additional costs and resource reallocations associated with the preparation and delivery of security operations for the CHOGM 2011.

2: Crime Prevention and Public Order

Providing general support to the community including a visible police presence and crime prevention activities. Maintaining an appropriate 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 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);
- engaging in programs/initiatives aimed at fostering partnerships or improved liaison between Western Australia Police and the community such as the media, schools, local government, community and business groups and government and non-government groups; and
- crime prevention project delivery, policy, research and evaluation.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 73,352	\$'000 88,181	\$'000 69,720	\$'000 71,122	
Less Income.....	3,506	16,056	16,045	16,571	
Net Cost of Service	69,846	72,125	53,675	54,551	
Employees (Full Time Equivalents)	551	607	464	452	
Efficiency Indicators					
Average Cost per Hour for Providing Crime Prevention and Public Order Services ^(a)	\$101	\$112	\$114	\$117	1

(a) Calculated from internal police activity surveys.

Explanation of Significant Movements

(Notes)

1. The nature of policing is highly reactive and with demand for services changing each year, the average cost per hour of providing policing services can vary significantly. Policing activities vary between dealing with criminal activities, traffic policing and other important activities. Operational focus will affect the Annual Activity Survey and the FTE mix which can be influential on the results. Generally, the hourly rate will increase in line with employee pay rate movements and other cost increases, but changes in work practices, such as civilianisation of functions or streamlining of processes, can also impact.

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.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 72,049	\$'000 81,911	\$'000 88,769	\$'000 90,554	
Less Income.....	2,378	1,242	1,134	1,169	
Net Cost of Service	69,671	80,669	87,635	89,385	
Employees (Full Time Equivalents)	545	581	651	634	
Efficiency Indicators					
Percentage of 131 444 Calls for Police Assistance or Attendance Answered within 20 Seconds ^{(a) (b)}	92%	85%	80.6%	85%	1
Percentage of 131 444 Calls Abandoned ^{(a) (c)}	3.3%	<5%	6.2%	<5%	1
Average Cost per Hour for Providing Community Support (Non-Offence Incidents) Services ^(d)	\$100	\$110	\$104	\$106	

(a) Excludes calls from other government agencies or third party commercial service providers.

(b) Based on the number of 131 444 calls answered within 20 seconds as a percentage of the total number of 131 444 calls answered.

(c) Based on the number of 131 444 where the caller opts to abandon the call before operators can answer them as a percentage of the total number of 133 444 calls presented. Calls are abandoned for a number of reasons including, change of mind, wrong agency, recorded message, solved issue or changed situation.

(d) Calculated from internal police activity surveys.

Explanation of Significant Movements

(Notes)

1. The movement of the 2010-11 Estimated Actual from the 2010-11 Budget reflects a significant increase in 131 444 call volumes. Contributing factors include the recent unseasonably warm weather, greater economic activity within the community and the redirection of a proportion of call volumes from four regional Western Australian districts to the Police Assistance Centre. Call volumes were greater than anticipated.

4: Emergency Management and Coordination

Responding in a 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 and 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.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 20,086	\$'000 38,793	\$'000 27,631	\$'000 28,187	
Less Income.....	750	588	353	364	
Net Cost of Service	19,336	38,205	27,278	27,823	
Employees (Full Time Equivalents)	135	260	185	180	
Efficiency Indicators					
Average Cost per Hour of Emergency Management and Coordination ^(a)	\$112	\$116	\$114	\$116	

(a) 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.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 403,466	\$'000 428,155	\$'000 454,832	\$'000 463,981	
Less Income.....	17,234	7,044	6,608	6,539	
Net Cost of Service	386,232	421,111	448,224	457,442	
Employees (Full Time Equivalents)	3,043	3,084	3,296	3,209	
Efficiency Indicators					
Percentage of Emergency '000' Calls for Urgent Police Assistance or Attendance Answered within 20 Seconds ^{(a) (b)}	97%	90%	93.8%	90%	
Percentage of '000' Emergency Calls Answered on First Presentation ^{(a) (c)}	98%	>90%	96.3%	>90%	
Average Time Taken to Respond to Urgent Calls for Police Assistance in the Metropolitan Area from Call Received (Entered) to Arrival at Scene: ^{(d) (e) (f) (g) (h) (i) (j)}					
- Priority 1-2 Calls.....	8 mins	9 mins	8 mins	9 mins	
- Priority 3 Calls	18 mins	25 mins	21 mins	25 mins	
Average Cost per Response/Investigation ^(k)	\$2,006	\$2,028	\$2,528	\$2,579	1

- (a) Excludes calls from other government agencies or third party commercial service providers.
- (b) Based on the number of emergency '000' calls answered within 20 seconds on their first presentation as a percentage of the total number of '000' calls answered on their first or subsequent presentations.
- (c) Based on the number of emergency '000' calls answered on their first presentation as a percentage of the total number of '000' calls answered on their first or subsequent presentations.
- (d) The Computer Aided Dispatch (CAD) system is used for creating and managing tasks for police attendance.
- (e) 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.
- (f) 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.
- (g) 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.
- (h) 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. 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) Population growth and the development of new housing estates in the metropolitan area have a significant impact on existing police districts. Several of the metropolitan districts have police sub-districts that are located on the periphery of the metropolitan area. Whilst patrolling of these outlying sub-districts is contained within a district's service delivery model, it is not necessarily true that an operational unit will be in the area when a high priority task arises. It is reasonable to assume that responding to Priority 1, 2 or 3 tasks in these marginal metropolitan areas may experience delays beyond the target response times.
- (k) The number of responses/investigations is based on the total number of verified offences against the person, property and drug offences.

Explanation of Significant Movements

(Notes)

1. The movement of the 2010-11 Estimated Actual from the 2010-11 Budget reflects a higher average cost per response/investigation. This is attributable to an increase in the total cost of service and less offences than were estimated for the 2010-11 Budget.

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 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.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 143,183	\$'000 118,347	\$'000 104,371	\$'000 106,470	
Less Income.....	4,700	1,849	1,987	2,028	
Net Cost of Service	138,483	116,498	102,384	104,442	
Employees (Full Time Equivalents)	956	848	735	716	
Efficiency Indicators					
Average Cost per Hour of Services to the Judicial Process ^(a)	\$113	\$109	\$108	\$111	
Average Cost per Guilty Plea ^{(b)(c)}	\$25	\$27	\$30	\$31	1
Average Cost per Non-Guilty Plea ^{(b)(c)}	\$197	\$216	\$241	\$245	1

(a) Calculated from internal police activity surveys.

(b) Relates to matters (charges) that have been placed before the Magistrate's 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.

(c) The introduction of the Trial Allocation Day that replaced the Direction Hearings resulted in a flow on effect that has continued to facilitate early pleas of guilty. In addition, the legislative requirement of full disclosure as identified in the *Criminal Procedure Act 2004* continues to assist in early identification of matters prior to trial. The *Criminal Code Amendment Act, No. 4, 2004* (this Act created the concept of 'Either Way' offences) has impacted on the Magisterial jurisdiction with regard to a greater number of complex and lengthy trial matters. The *Criminal Investigation Act 2006* confers powers to detain and powers of entry and search. Section 154 of the Act provides that if a thing relevant to an offence is seized or obtained and a requirement of this Act in relation to exercising the power conferred by this Act is contravened, any evidence derived is not admissible in any criminal proceedings against a person in a court. This provision may also impact on the successful prosecution of trial matters.

Explanation of Significant Movements

(Notes)

1. The movement of the 2010-11 Estimated Actual from the 2010-11 Budget reflects a higher average cost per guilty and non-guilty plea. This has resulted from a significant reduction in the number of matters that have been placed before the Magistrate's Court. This reduction is attributed to a number of factors including: mandatory sentencing; Western Australia Police management of prolific and priority offenders; domestic violence policy; hoon legislation; and seizure of cars for motor driver's licence suspensions and double demerits.

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.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 186,012	\$'000 212,543	\$'000 218,132	\$'000 219,488	
Less Income.....	8,793	8,600	16,217	17,712	
Net Cost of Service	177,219	203,943	201,915	201,776	
Employees (Full Time Equivalents)	1,537	1,761	1,549	1,508	
Efficiency Indicators					
Average Cost per Hour of Traffic Law Enforcement and Management ^(a)	\$92	\$101	\$107	\$108	

(a) Calculated from internal police activity surveys.

ASSET INVESTMENT PROGRAM

To support the delivery of the Western Australia Police services, the planned asset investment program for 2011-12 is \$137.5 million, comprising \$104.6 million for works in progress and \$32.9 million for new works.

Major projects include:

- **Community Safety Network - Regional Radio Network Replacement Program**
The replacement of the Regional Radio Network is the final phase of the State-wide network replacement and upgrade of existing radio communications. It will address regional radio communication issues by replacing the existing obsolete network to underpin regional policing with 'fit for purpose' reliable radio communications.
- **Information Communication Technology (ICT) Programs:**
 - ICT Infrastructure Replacement and Continuity; and
 - ICT Core Business Systems Development.

Western Australia Police relies heavily on its information infrastructure and systems to deliver the expected level of service across Western Australia. The ICT Infrastructure Replacement and Continuity program is designed to maintain a reliable and robust ICT infrastructure to provide an ongoing 24/7 response to crime and community demands across regional areas as well as the Perth metropolitan area. The ICT Core Business Systems Development program allows Western Australia Police to make significant inroads into new and improved business systems to enhance the existing and new policing business practices.

- **Major Aircraft New and Replacement Program - Helicopter**
Western Australia's unique geographic, economic and demographic circumstances place extraordinary demands on Western Australia Police's air wing capability. The acquisition of an additional helicopter will expand the available aerial support across Western Australia. It will give Western Australia Police expanded air support and increased capabilities across the State for emergency services.
- **Breath and Drug Buses**
During the 2008 election campaign, the Government committed to procure two new additional Breath and Drug Buses for Western Australia Police to support the Government's Road Safety initiatives. This will improve Western Australia Police's capacity to detect drug affected drivers, similar to the changes seen for drink-driving, and provide a highly visible police presence.
- **Police Facilities:**
 - **New Police District Hubs - Western Suburbs and Cockburn Central**
The program is to establish new Police District Hubs to replace ageing and inadequate facilities in the Western Suburbs and Cockburn Central and enable the introduction of the new 'Hubbing' service delivery model. The new service delivery model is premised on moving away from a 'neighbourhood' model, whereby smaller stations were typically located within walking distance of the areas they served, to a model where technologically advanced police vehicles are deployed to locations of crime from larger police complexes (Hubs).

– Central Facilities Relocation Strategy: Perth Police Complex

This strategy aims to enable the co-location of policing resources currently dispersed throughout the Central Metropolitan District and provide an integrated service delivery platform for policing in Northbridge and the Central Business District. It will provide a state of art lock-up facility as well as an upgraded police station in Northbridge/Perth CBD and District Office facility.

– Police Facilities Major Refurbishment Program (Curtin House)

The program will enable Western Australia Police to complete a refurbishment of the Curtin House facility in Perth. This will modernise the major infrastructure and layout of the building and enable the continued use of the facility for coming years.

	Estimated Total Cost \$'000	Estimated ^(a) Expenditure to 30-6-11 \$'000	2010-11 ^(b) Estimated Expenditure \$'000	2011-12 ^(b) Estimated Expenditure \$'000	2012-13 ^(b) Forward Estimate \$'000	2013-14 ^(b) Forward Estimate \$'000	2014-15 ^(b) Forward Estimate \$'000
WORKS IN PROGRESS							
Fleet and Equipment Purchases - New and Replacement							
Major Aircraft New and Replacement Program							
Helicopter	21,909	10,409	6,057	11,500	-	-	-
Scheduled Equipment Replacement Program 2010-11	6,773	2,273	1,777	4,500	-	-	-
Security Vehicles Conversion Program	2,500	2,000	2,000	500	-	-	-
IT Infrastructure							
Community Safety Network : Regional Radio Network							
Replacement Program	71,078	6,700	6,700	32,878	31,500	-	-
ICT - Provisioning for Core Business Systems							
2010-2015 (ICT Development)	7,100	1,500	1,500	2,000	3,600	-	-
Infrastructure Replacement and Continuity 2010-15	31,900	6,000	6,000	6,900	13,000	-	6,000
Police Facilities							
Central Facilities Relocation Strategy							
Perth Police Complex	85,612	43,510	24,125	23,290	17,812	1,000	-
New and Replacement Police Facilities							
Blackstone Remote Multi-Functional Police Facility	6,730	5,230	529	1,500	-	-	-
Burringurrah Remote Multi-Functional Police Facility	6,310	6,010	2,535	300	-	-	-
Fitzroy Crossing Police Station	9,059	3,547	3,282	5,312	200	-	-
Looma Remote Multi-Functional Police Facility	5,965	4,915	2,114	1,050	-	-	-
Mount Magnet Police Station	7,152	2,855	2,661	4,197	100	-	-
West Metropolitan District Accommodation							
Upgrade	11,112	4,928	4,862	6,184	-	-	-
Upgrades							
Custodial Facilities Upgrade Program 2010-11	3,600	1,800	1,800	1,800	-	-	-
Police Station Upgrade Program 2010-11	7,572	4,872	4,097	2,700	-	-	-
COMPLETED WORKS							
Boat and Equipment Acquisition							
Mandurah Marine Operations Centre	417	417	4	-	-	-	-
Counter-Terrorism Initiatives							
CT: Multi-Agency Response - Capability/Capacity							
NorWest Deployment - Bomb Squad - Safety/Security	14,369	14,369	4,502	-	-	-	-
Fleet and Equipment Purchases - New and Replacement							
Schedule Equipment Replacement							
Program 2008-2010	5,861	5,861	135	-	-	-	-
Speed and Red Light Camera Upgrades	22,604	22,604	20,275	-	-	-	-
IT Infrastructure							
Information and Communication Technology (ICT)							
Continuity and Development program 2009-10	8,970	8,970	8,529	-	-	-	-
Information and Communication Technology (ICT)							
Continuity and Development Program 2010-11	2,278	2,278	2,278	-	-	-	-
PMRN Expansion and Regional Radio Planning	26,857	26,857	8,952	-	-	-	-
Other Capital Works Proposals							
Cannabis Law Reform	398	398	398	-	-	-	-
Forensic Service Upgrades	500	500	500	-	-	-	-
Public Sex Offender Register	2,900	2,900	2,900	-	-	-	-
Small Robot Systems (Path Centre)	591	591	138	-	-	-	-
Police Facilities							
Additional 500/200 - Accommodation	5,526	5,526	1,715	-	-	-	-
Additions and Alterations to Existing Facilities							
Balgo Multi-Functional Police Facility - ROQ	520	520	4	-	-	-	-
Bidyadanga Multi-Functional Police Facility -ROQ	400	400	8	-	-	-	-
CHOGM 2011: Command Centre Facility	2,886	2,886	2,886	-	-	-	-
South Hedland Police Station	17,410	17,410	673	-	-	-	-

	Estimated Total Cost \$'000	Estimated ^(a) Expenditure to 30-6-11 \$'000	2010-11 ^(b) Estimated Expenditure \$'000	2011-12 ^(b) Estimated Expenditure \$'000	2012-13 ^(b) Forward Estimate \$'000	2013-14 ^(b) Forward Estimate \$'000	2014-15 ^(b) Forward Estimate \$'000
New and Replacement Police Facilities							
Dampier Peninsula Police Station (Gordon Inquiry).....	2,916	2,916	111	-	-	-	-
Derby Police Station	5,000	5,000	1,416	-	-	-	-
Harvey Police Station	3,515	3,515	12	-	-	-	-
Kimberley District Police Complex	12,065	12,065	265	-	-	-	-
Oombulgurri Interim Police Facility and Residential Accommodation	1,508	1,508	27	-	-	-	-
Operations Support Facility Stage 2 Traffic Support	21,647	21,647	35	-	-	-	-
Pilbara District Police Complex	17,090	17,090	578	-	-	-	-
Property Receival and Exhibit Storage (PRESS) Facility	2,386	2,386	501	-	-	-	-
Rockingham Police Rail Unit	5,330	5,330	1	-	-	-	-
Warakurna Police Station (Gordon Inquiry)	3,669	3,669	33	-	-	-	-
Upgrades - Custodial Facilities Upgrades	2,701	2,701	790	-	-	-	-
NEW WORKS							
Fleet and Equipment Purchases - New and Replacement							
Non-Leased - Non Standard Motor Vehicle Replacement Program 2011-12	900	-	-	900	-	-	-
Non-Leased - Non Standard Motor Vehicle Replacement Program 2012-2019	6,100	-	-	-	1,000	700	760
Scheduled Equipment Replacement Program 2012-2019	37,700	-	-	-	4,700	4,900	5,100
Breath and Drug Buses	2,080	-	-	2,080	-	-	-
IT Infrastructure							
ICT Core Business Systems - Development 2011-12 to 2013-14	48,000	-	-	12,000	18,000	18,000	-
Infrastructure Replacement and Continuity 2013-2015	42,508	-	-	-	-	26,935	15,573
Police Facilities							
New and Replacement Police Facilities							
Cockburn Central Police Station (District Hub)	18,847	-	-	5,000	10,502	3,345	-
Mundijong Police Station	8,020	-	-	-	1,885	1,535	4,600
Police Facilities Major Refurbishment Program	10,000	-	-	7,000	3,000	-	-
Western Suburbs Police Station (District Hub)	25,619	-	-	5,860	1,980	13,230	4,549
Planning and Feasibility Studies							
Capital Project Contingencies	1,700	-	-	-	-	-	1,700
Upgrades							
Custodial Facilities Upgrade Program 2012-2019	15,960	-	-	-	1,920	2,040	2,160
Police Station Upgrade Program 2012-2019	23,940	-	-	-	2,880	3,060	3,240
Total Cost of Asset Investment Program	716,060	296,863	127,705	137,451	112,079	74,745	43,682
FUNDED BY							
Capital Appropriation			70,737	65,593	59,974	58,145	31,822
Drawdowns from the Holding Account			14,216	18,993	16,700	16,600	11,860
Resources received free of charge - Building Management and Works			689	149	127	-	-
Internal Funds and Balances			35,363	16,838	3,778	-	-
Other ^(c)			-	(6,222)	-	-	-
Drawdowns from Royalties for Regions Fund ^(d)			6,700	42,100	31,500	-	-
Total Funding			127,705	137,451	112,079	74,745	43,682

- (a) The estimated total cost and estimated expenditure to 30-06-11 Columns include all expenditures (Investing and Expensed) up to the end of 2007-08, and Investing expenditures only from 2008-09 onward.
- (b) The 2010-11 Estimated Expenditure and onward columns reflect Investing Activities only.
- (c) Western Australia Police is projected to receive specific funding for the Commonwealth funded Multi-Functional Police Facilities program of \$3.0 million in 2011-12. It is also projected that RIR funding of \$9.2 million, associated with the Community Safety Network (Regional Radio Network), received by Western Australia Police will be distributed to the Fire and Emergency Services Authority and the Department of Corrective Services. This is reflected in the above funding statement in 'Other' as a net negative figure of \$6.2 million.
- (d) Regional Infrastructure and Headworks Fund.

FINANCIAL STATEMENTS**Income Statement***Expenses*

The Income Statement shows an estimated increase in the Total Cost of Services of \$44.8 million (4.1%) for the 2011-12 Budget Estimate compared to the 2010-11 Estimated Actual.

This net increase is mainly attributable to:

- additional employee programs and provision for salary increases;
- CHOGM 2011 planning and preparation; and
- review of the employee long service leave actuarial assessment.

Income

Total Income is expected to increase by \$2.4 million in 2011-12, due to the deferral of Commonwealth sourced Multi-Functional Police Facility funding from 2010-11.

Statement of Financial Position

The total net asset position (Total Equity) is expected to increase by \$129.8 million (14.7%) between 2010-11 Estimated Actual and 2011-12 Budget Estimate. This reflects a projected increase in total assets of \$137.7 million (12.6%) and an increase in total liabilities of \$7.9 million (3.7%) over the same period.

The expected increase in assets is attributable to a projected increase in:

- property, plant and equipment relating to the asset investment program which includes the ICT Program, Major Aircraft New and Replacement Program, and new and replacement police facilities;
- restricted cash associated with the 27th Pay; and
- holding account receivables.

The increase in liabilities of \$7.9 million is mainly attributable to the revision of actuarial values of the Western Australia Police employees' leave provisions.

Statement of Cashflows

The 2011-12 closing cash asset balance of \$68.5 million represents an increase of \$12.0 million (21.3%), including \$3.1 million of restricted cash, in comparison to the 2010-11 Estimated Actual.

It is projected that RfR funding of \$9.2 million, associated with the Community Safety Network (Regional Radio Network), received by Western Australia Police will be distributed to the Fire and Emergency Services Authority and the Department of Corrective Services. This is reflected in the net cash transferred to/from other agencies.

INCOME STATEMENT ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	733,207	764,407	781,152	818,544	852,346	899,136	936,472
Grants and subsidies ^(c)	2,895	2,990	2,290	2,120	1,355	1,355	1,355
Supplies and services	115,060	119,078	138,547	133,812	125,541	130,026	134,375
Accommodation	35,493	43,963	44,078	47,430	49,542	53,301	54,595
Depreciation and amortisation	39,999	42,037	43,237	45,295	51,276	55,828	59,180
Other expenses	53,080	66,716	76,782	83,704	75,735	78,436	79,898
TOTAL COST OF SERVICES	979,734	1,039,191	1,086,086	1,130,905	1,155,795	1,218,082	1,265,875
Income							
Sale of goods and services	4,279	5,144	4,644	4,472	4,517	4,686	4,686
Regulatory fees and fines	15,784	17,000	17,508	17,552	18,123	18,667	18,667
Grants and subsidies	9,264	8,418	6,393	8,239	3,483	3,218	3,218
Other revenue	14,425	6,598	16,065	16,770	16,670	16,570	16,470
Total Income	43,752	37,160	44,610	47,033	42,793	43,141	43,041
NET COST OF SERVICES	935,982	1,002,031	1,041,476	1,083,872	1,113,002	1,174,941	1,222,834
INCOME FROM STATE GOVERNMENT							
Service appropriations	940,410	1,003,676	1,005,604	1,114,932	1,106,656	1,168,383	1,215,759
Resources received free of charge	2,426	4,009	4,041	3,536	3,569	3,493	3,493
Royalties for regions fund ^(d)	-	-	59	2,123	2,964	3,668	4,185
TOTAL INCOME FROM STATE GOVERNMENT	942,836	1,007,685	1,009,704	1,120,591	1,113,189	1,175,544	1,223,437
SURPLUS/(DEFICIENCY) FOR THE PERIOD	6,854	5,654	(31,772)	36,719	187	603	603
Extraordinary items	6,558	-	-	-	-	-	-
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	13,412	5,654	(31,772)	36,719	187	603	603

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

(b) The Full Time Equivalents (FTEs) for 2009-10 Actual, 2010-11 Estimated Actual and 2011-12 Estimates are 7,387, 7,676 and 7,661 respectively. In some cases the figures for 2009-10 and 2010-11 may differ from previously published figures due to changes in calculation methodology.

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

(d) Regional Infrastructure and Headworks Fund - \$0 (2009-10), \$0 (2010-11), \$0.1 million (2010-11 Estimated Out Turn), \$2.1 million (2011-12), \$3.0 million (2012-13), \$3.7 million (2013-14), \$4.2 million (2014-15).

Details of Controlled Grants and Subsidies

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Aboriginal Warden Scheme	-	500	-	-	-	-	-
Community Safety and Crime Prevention Partnership Fund	2,737	2,185	2,185	2,015	1,250	1,250	1,250
Other	158	305	105	105	105	105	105
TOTAL	2,895	2,990	2,290	2,120	1,355	1,355	1,355

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	103,324	66,988	36,496	45,418	41,640	42,353	43,066
Restricted cash.....	9,123	2,919	4,005	4,005	4,005	4,005	4,005
Holding account receivables.....	14,216	18,993	18,993	16,700	16,600	11,860	12,900
Receivables	7,904	7,515	7,904	7,904	7,904	7,904	7,904
Other.....	7,125	6,503	7,125	7,125	7,125	7,125	7,125
Assets held for sale.....	18,920	8,000	5,415	-	-	-	-
Total current assets.....	160,612	110,918	79,938	81,152	77,274	73,247	75,000
NON-CURRENT ASSETS							
Holding account receivables.....	148,797	176,469	177,669	218,892	258,196	306,792	357,700
Property, plant and equipment.....	665,325	817,379	758,405	837,414	877,367	879,530	859,778
Intangibles	63,733	46,108	62,494	75,641	96,491	113,245	117,499
Restricted cash.....	13,125	15,470	15,970	19,090	22,380	25,870	29,360
Total non-current assets	890,980	1,055,426	1,014,538	1,151,037	1,254,434	1,325,437	1,364,337
TOTAL ASSETS.....	1,051,592	1,166,344	1,094,476	1,232,189	1,331,708	1,398,684	1,439,337
CURRENT LIABILITIES							
Employee provisions	124,597	120,350	132,178	132,178	132,178	132,178	132,178
Payables.....	32,276	23,615	20,276	20,276	20,276	20,276	20,276
Other.....	16,841	18,703	19,951	23,261	26,491	30,091	33,691
Total current liabilities	173,714	162,668	172,405	175,715	178,945	182,545	186,145
NON-CURRENT LIABILITIES							
Employee provisions	36,046	38,585	40,674	45,302	49,930	54,558	59,186
Total non-current liabilities	36,046	38,585	40,674	45,302	49,930	54,558	59,186
TOTAL LIABILITIES	209,760	201,253	213,079	221,017	228,875	237,103	245,331
EQUITY							
Contributed equity.....	386,217	463,190	457,554	550,610	642,084	700,229	732,051
Accumulated surplus/(deficit)	139,566	137,726	107,794	144,513	144,700	145,303	145,906
Reserves	316,049	364,175	316,049	316,049	316,049	316,049	316,049
Total equity.....	841,832	965,091	881,397	1,011,172	1,102,833	1,161,581	1,194,006
TOTAL LIABILITIES AND EQUITY	1,051,592	1,166,344	1,094,476	1,232,189	1,331,708	1,398,684	1,439,337

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	894,725	957,011	957,739	1,057,009	1,050,752	1,107,927	1,151,951
Capital appropriation	72,451	93,212	70,737	65,593	59,974	58,145	31,822
Holding account drawdowns	1,740	14,216	14,216	18,993	16,700	16,600	11,860
Royalties for regions fund ^(b)	-	-	6,759	44,223	34,464	3,668	4,185
Net cash provided by State Government	968,916	1,064,439	1,049,451	1,185,818	1,161,890	1,186,340	1,199,818
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(720,655)	(756,547)	(765,831)	(810,424)	(844,520)	(890,953)	(928,244)
Grants and subsidies	(2,429)	(2,990)	(2,290)	(2,120)	(1,355)	(1,355)	(1,355)
Supplies and services	(108,728)	(114,166)	(133,867)	(128,198)	(119,751)	(124,129)	(130,431)
Accommodation	(33,506)	(35,845)	(29,591)	(30,691)	(33,395)	(37,350)	(38,782)
Other payments	(76,036)	(95,946)	(124,117)	(121,681)	(113,027)	(115,575)	(114,991)
Receipts							
Regulatory fees and fines	15,590	17,079	17,587	17,631	18,202	18,746	18,667
Grants and subsidies	9,429	8,418	6,393	8,239	3,483	3,218	3,218
Sale of goods and services	3,547	5,044	5,294	4,401	4,446	4,615	4,694
GST receipts	28,493	19,911	19,911	19,911	19,911	19,911	19,911
Other receipts	13,742	6,258	14,975	15,680	15,580	15,480	15,380
Net cash from operating activities	(870,553)	(948,784)	(991,536)	(1,027,252)	(1,050,426)	(1,107,392)	(1,151,933)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(76,827)	(120,370)	(127,016)	(137,302)	(111,952)	(74,745)	(43,682)
Proceeds from sale of non-current assets	558	-	-	-	-	-	-
Net cash from investing activities	(76,269)	(120,370)	(127,016)	(137,302)	(111,952)	(74,745)	(43,682)
NET INCREASE/(DECREASE) IN CASH HELD	22,094	(4,715)	(69,101)	21,264	(488)	4,203	4,203
Cash assets at the beginning of the reporting period	103,478	90,092	125,572	56,471	68,513	68,025	72,228
Net cash transferred to/from other agencies	-	-	-	(9,222)	-	-	-
Cash assets at the end of the reporting period	125,572	85,377	56,471	68,513	68,025	72,228	76,431

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

(b) Regional Infrastructure and Headworks Fund - \$0 (2009-10), \$0 (2010-11), \$6.8 million (2010-11 Estimated Out Turn), \$44.2 million (2011-12), \$34.5 million (2012-13), \$3.7 million (2013-14), \$4.2 million (2014-15).

DETAILS OF ADMINISTERED TRANSACTIONS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
INCOME							
Fines							
Firearms Licensing Infringements.....	4	200	200	200	200	200	200
Other							
Sale of Lost, Stolen and Forfeited Property.....	676	450	450	450	450	450	450
TOTAL INCOME	680	650	650	650	650	650	650
EXPENSES							
Other							
Receipts Paid into Consolidated Account.....	424	400	400	400	400	400	400
All Other Expenses	256	250	250	250	250	250	250
TOTAL EXPENSES	680	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:

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Commonwealth - Other	708	1,173	1,748	1,173	1,173	1,173	1,173
Commonwealth Contribution for Multi-Functional Police Facilities	5,000	3,000	-	3,000	-	-	-
Commonwealth-National Campaign Against Drug Abuse	146	146	146	146	146	146	146
Departmental ^(a)	30,565	25,774	35,649	34,709	33,243	33,591	33,491
GST Input Credits	26,175	18,523	18,523	18,523	18,523	18,523	18,523
GST Receipts on Sales	2,318	1,388	1,388	1,388	1,388	1,388	1,388
Licences	5,889	6,706	6,706	6,923	7,149	7,149	7,149
TOTAL.....	70,801	56,710	64,160	65,862	61,622	61,970	61,870

(a) The increase from the 2010–11 Budget to the 2010–11 Estimated Actual and forward estimates, reflects a recouping of costs associated with the implementation of the Hoon and No Motor Driver's Licence legislation.

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 44

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 69 Net amount appropriated to deliver services	45,909	24,544	22,787	21,561	21,886	22,764	23,021
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975.....	-	-	-	490	504	519	534
Total appropriations provided to deliver services	45,909	24,544	22,787	22,051	22,390	23,283	23,555
CAPITAL							
Capital Appropriation	27,761	-	-	-	-	-	-
TOTAL APPROPRIATIONS	73,670	24,544	22,787	22,051	22,390	23,283	23,555
EXPENSES							
Total Cost of Services	258,334	271,393	276,088	290,084	299,041	315,199	324,121
Net Cost of Services ^(a)	56,765	31,666	31,190	30,382	26,436	27,928	27,750
CASH ASSETS ^(b)	57,205	32,181	62,710	39,335	30,839	30,617	29,133

(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 SPENDING CHANGES

Details of major decisions impacting on the agency's Income Statement since publication of the 2010-11 Budget to Parliament on 20 May 2010 are outlined below.

	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Community Safety Network.....	-	3,241	432	436	440

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
Results-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	Western Australian 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	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
1. Prevention and Mitigation Services.....	27,044	30,511	32,803	34,399	35,420	37,262	38,279
2. Emergency Services	231,290	240,882	243,285	255,685	263,621	277,937	285,842
Total Cost of Services.....	258,334	271,393	276,088	290,084	299,041	315,199	324,121

Significant Issues Impacting the Agency

- Improving emergency services through lessons learnt:
 - FESA continues to implement recommendations from the Victorian Bushfires Royal Commission final report;
 - a major focus will be to consider the impact of recommendations arising from incident reviews; and
 - revision and upgrading of FESA's community information and warning mechanisms will ensure the community has access to relevant and timely public information.
- Addressing the impacts of climate change and changes in community demographics on emergency service delivery:
 - climate change and the recent 'La Niña' weather patterns continue to influence the type, scale and frequency of emergency events;
 - FESA will continue to strengthen the capabilities of career and volunteer response personnel, to progress a whole-of-government approach to the coordination and management of emergency events;
 - FESA will continue to improve preparedness, capacity to respond and resilience at the local community level, in cooperation with local governments, particularly those that are vulnerable and 'hard to reach';
 - extended and more severe bushfire seasons present FESA with resourcing challenges across the State;
 - recent massive flood events in the north of the State will produce higher fuel loads, leading to extended risk; and
 - significant State development and demographic movements will place pressure on emergency service delivery in regional areas.

- To establish an effective framework to support integrated emergency management across Western Australia, FESA will continue to progress the development of a single contemporary emergency services Act and will be completing the five year review of the *Emergency Management Act 2005*.
- As a key stakeholder in emergency management preparations, FESA will finalise and implement planning strategies for the 2011 Commonwealth Heads of Government Meeting scheduled for October 2011.

Outcomes and Key Effectiveness Indicators ^(a)

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 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 ^(b)	70.5	70	68	70	
Proportion of structural fires confined to object/room of origin	76.4%	68%	76%	70%	
Percentage of special risk plans for hazardous material sites reviewed within specified timeframes ^(c)	89%	90%	95%	90%	
Outcome: The impact of emergencies is minimised through the delivery of appropriate emergency response:					
Percentage of 000 calls answered within the target timeframe ^(d)	97.6%	97%	95.2%	95%	
Percentage of metropolitan responses by Career Fire and Rescue Services within target timeframes ^(e)	88.9%	90%	89%	90%	
Percentage of volunteer Fire and Rescue Service turnouts within target timeframes - Hazard Management Agency roles only ^(f)	87.1%	90%	88%	90%	
Percentage of required operational personnel trained in level 2 and level 3 incident management ^(g)	92%	90%	106%	90%	

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

(b) A lower result indicates better performance.

(c) Special Risk Plans document risk management strategies for sites and facilities where emergencies pose a significant impact to the community or environment. Plans will be reviewed every two years.

(d) Target timeframe for 000 calls to be answered is 20 seconds.

(e) Target timeframe for Metropolitan Career Fire and Rescue responses from receipt of emergency call to arrival at incident, is 90% within 12 minutes.

(f) Target timeframe for volunteer Fire and Rescue turnouts from brigade notification to brigade on route to incident, is 90% within 14 minutes.

(g) The actual number of operational personnel trained in level 2 incident management (51) exceeds the required number by 6%. Of these, 18 Officers are also competent to manage level 3 incidents, which is 183% of the required number.

Services and Key Efficiency Indicators

1: Prevention and Mitigation Services

Provision of prevention and mitigation services to increase community awareness of human and natural hazards, and involvement in minimising their impact.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	27,044	30,511	32,803	34,399	
Less Income.....	22,535	26,801	27,918	29,606	
Net Cost of Service	4,509	3,710	4,885	4,793	
Employees (Full Time Equivalents) ^(a)	145	177	154	187	
Efficiency Indicators					
Cost of Prevention and Mitigation Services per Capita (Western Australia).....	\$11.91	\$13.50	\$14.22	\$14.92	

- (a) The increase in Full Time Equivalents (FTEs) in 2011-12 mainly reflects the appointment of additional Community Emergency Services Officers and career firefighters, the recognition of Commonwealth-funded positions under the Natural Disaster Resilience Program and delays in the appointment of new staff in 2010-11.

2: Emergency Services

Provision of emergency services to enable rapid and effective response to emergency incidents to minimise their impact.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	231,290	240,882	243,285	255,685	
Less Income.....	179,034	212,926	216,980	230,096	
Net Cost of Service	52,256	27,956	26,305	25,589	
Employees (Full Time Equivalents) ^(a)	1,131	1,202	1,193	1,235	
Efficiency Indicators					
Cost of Emergency Services per Capita (Western Australia)	\$101.88	\$106.61	\$105.49	\$110.87	

- (a) The increase in FTEs in 2011-12 mainly reflects the appointment of additional Community Emergency Services Officers and career firefighters, together with delays in the appointment of new staff in 2010-11.

ASSET INVESTMENT PROGRAM

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
Fire and Emergency Vehicles							
CFRS GPA Replacement Program ^(a)	827	367	-	-	-	-	460
CFRS Light Tanker Replacement 2006-13 Program	4,450	3,250	1,323	350	850	-	-
CFRS Medium Pump Replacement 2010-18 Program	23,218	6,023	3,970	4,752	-	725	2,950
VES Unit Fleet Replacement 2007-17 Program ^(b)	10,307	2,700	1,437	1,035	1,265	904	1,335
VFRS GPA Replacement Program ^(c)	7,215	3,500	1,810	115	-	1,200	1,400
VFRS Light Tanker Replacement 2006-13 Program	8,030	5,280	1,508	1,650	1,100	-	-
Land and Building Works							
CFRS Bassendean/Kiara Fire Station	6,736	2,836	2,829	3,900	-	-	-
CFRS Geraldton Fire Station	6,279	7	-	-	2,578	3,694	-
CFRS Australind Fire Station	6,026	900	898	5,126	-	-	-
FESA Emergency Services Complex - Cockburn	40,001	23,577	17,878	16,424	-	-	-
FESA Training Centre - Modifications	1,254	504	228	750	-	-	-
VFRS Geraldton Fire Station	3,085	229	-	-	1,401	1,455	-
Plant and Equipment Works							
Breathing Apparatus Replacement 2009-14 Program	4,000	1,600	994	800	800	800	-
Emergency Rescue Equipment Program	13,002	4,454	1,393	1,638	600	600	800
VMRS Communication Network 2003-11 Program ^(d)	805	305	117	250	250	-	-
Western Australian Emergency Radio Network	23,734	21,480	6,377	2,254	-	-	-
COMPLETED WORKS							
Land and Building Works							
CFRS Ellenbrook Fire Station	3,552	3,552	316	-	-	-	-
FESA Emergency Service Centre - Kununurra	2,671	2,671	87	-	-	-	-
FESA Volunteer Collocation - Derby	2,755	2,755	220	-	-	-	-
FESA Volunteer Collocation - Esperance	2,994	2,994	250	-	-	-	-
VFRS Albany Fire Station	2,587	2,587	1,953	-	-	-	-
Plant and Equipment Works							
FESA ES-CADCOM Project	1,195	1,195	252	-	-	-	-
NEW WORKS							
Fire and Emergency Vehicles							
CFRS Aerial Appliance Replacement Program	2,990	-	-	-	-	1,460	1,530
CFRS Appliances Australind	920	-	-	920	-	-	-
CFRS CLP Half Life Refurbishment	600	-	-	600	-	-	-
Light Tanker Replacement 2013-18 Program	12,850	-	-	-	-	2,300	2,250
VFRS Appliance Geraldton	141	-	-	-	141	-	-
VFRS Appliance Lancelin	440	-	-	440	-	-	-
Land and Building Works							
CFRS Joondalup Fire Station Modifications	2,303	-	-	2,303	-	-	-
Strategic Land Acquisition Program	7,010	-	-	-	-	3,540	3,470
VFRS Kambalda Fire Station	2,410	-	-	2,410	-	-	-
Plant and Equipment Works							
CFRS Protective Suits Replacement Program	900	-	-	900	-	-	-
Community Safety Network	1,644	-	-	1,644	-	-	-
Total Cost of Asset Investment Program	206,931	92,766	43,840	48,261	8,985	16,678	14,195
FUNDED BY							
Borrowings			48,991	30,387	1,713	13,199	8,735
Drawdowns from the Holding Account			-	-	-	5,000	5,000
Internal Funds and Balances			(5,151)	16,230	7,272	(1,521)	460
Other			-	1,644	-	-	-
Total Funding			43,840	48,261	8,985	16,678	14,195

- (a) CFRS: Career Fire and Rescue Service.
(b) VES: Volunteer Emergency Service.
(c) VFRS: Volunteer Fire and Rescue Service.
(d) VMRS: Volunteer Marine Rescue Service.

FINANCIAL STATEMENTS**Income Statement***Expenses*

The Total Cost of Services in 2011-12 is expected to increase by \$14.0 million to \$290.1 million compared to the 2010-11 Estimated Actual. This increase is mainly attributable to a boost in frontline emergency services through the employment of additional firefighters (\$2.5 million) and Community Emergency Service officers (\$2.4 million), and increased capital grants for local government, emergency service volunteers and vulnerable remote communities (\$2.0 million). It also includes expenditure for the Community Safety Network (\$3.2 million), together with provisions for award increases, cost escalation and the flow-on impact of previous policy decisions.

Income

Total income is estimated to be \$259.7 million for 2011-12. This represents an increase of \$14.8 million compared to the 2010-11 Estimated Actual and mainly reflects the increase in recoverable services as detailed above.

Statement of Financial Position

Total Assets are expected to increase by \$17.3 million in 2011-12, which mainly reflects the expected completion of the Emergency Services Complex at Cockburn.

Total Liabilities are expected to increase by \$28.6 million in 2011-12, which largely reflects the approved borrowing program for asset investment. Borrowings are expected to partially reduce in 2013-14 following the sale of the Hay Street Head Office.

Statement of Cashflows

The 2011-12 closing Cash Assets balance of \$39.3 million represents a decrease of \$23.4 million in comparison to the 2010-11 Estimated Actual. The decrease is mainly attributable to the cash outlays associated with the asset investment program.

INCOME STATEMENT ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	142,120	148,957	151,323	160,970	172,999	182,675	189,062
Grants and subsidies ^(c)	36,230	33,906	34,000	35,778	30,405	35,329	35,531
Supplies and services	43,157	44,353	45,632	47,465	47,476	48,114	49,083
Accommodation	7,208	6,444	7,294	7,542	7,681	7,901	8,103
Depreciation and amortisation	9,589	12,155	12,155	12,410	13,171	13,471	13,671
Other expenses	20,030	25,578	25,684	25,919	27,309	27,709	28,671
TOTAL COST OF SERVICES	258,334	271,393	276,088	290,084	299,041	315,199	324,121
Income							
Sale of goods and services	3,911	11,810	11,810	6,826	6,901	7,059	7,224
Regulatory fees and fines	180,138	217,794	218,536	234,141	247,764	264,439	273,364
Grants and subsidies	11,173	4,615	9,044	9,233	9,363	9,493	9,623
Other revenue	6,347	5,508	5,508	9,502	8,577	6,280	6,160
Total Income	201,569	239,727	244,898	259,702	272,605	287,271	296,371
NET COST OF SERVICES	56,765	31,666	31,190	30,382	26,436	27,928	27,750
INCOME FROM STATE GOVERNMENT							
Service appropriations	45,909	24,544	22,787	22,051	22,390	23,283	23,555
Resources received free of charge	1,008	2,745	2,745	2,745	2,745	2,745	2,745
Royalties for regions fund ^(d)	-	-	-	128	132	136	140
TOTAL INCOME FROM STATE GOVERNMENT	46,917	27,289	25,532	24,924	25,267	26,164	26,440
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(9,848)	(4,377)	(5,658)	(5,458)	(1,169)	(1,764)	(1,310)
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	(9,848)	(4,377)	(5,658)	(5,458)	(1,169)	(1,764)	(1,310)

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

(b) The Full Time Equivalents (FTEs) for 2009-10 Actual, 2010-11 Estimated Actual and 2011-12 Estimates are 1,276, 1,347 and 1,422 respectively. In some cases the figures for 2009-10 and 2010-11 may differ from previously published figures due to changes in calculation methodology.

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

(d) Regional Infrastructure and Headworks Fund - \$0.1 million (2011-12), \$0.1 million (2012-13), \$0.1 million (2013-14), \$0.1 million (2014-15).

Details of Controlled Grants and Subsidies

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Local Government Emergency Services							
Grants	17,645	26,550	26,644	28,969	24,469	29,100	29,400
Natural Disaster Relief and Recovery Arrangements ^(a)	12,530	-	-	-	-	-	-
Other	2,417	3,112	3,112	3,560	3,229	3,319	3,151
Surf Life Saving Western Australia	579	599	599	620	640	660	680
Volunteer Marine Rescue Service	3,059	3,645	3,645	2,629	2,067	2,250	2,300
TOTAL	36,230	33,906	34,000	35,778	30,405	35,329	35,531

(a) Natural Disaster Relief and Recovery Arrangements grants are initially made by FESA on behalf of the State and subsequently recouped via the supplementary funding process.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	56,381	31,681	61,886	38,111	29,215	28,593	26,709
Restricted cash.....	324	-	324	324	324	324	324
Holding account receivables.....	-	-	-	-	5,000	5,000	-
Receivables	5,171	6,389	6,578	7,460	7,540	7,625	7,715
Other.....	9,226	9,496	9,226	9,476	9,476	9,476	9,476
Assets held for sale.....	-	32,100	-	-	-	-	-
Total current assets.....	71,102	79,666	78,014	55,371	51,555	51,018	44,224
NON-CURRENT ASSETS							
Holding account receivables.....	9,985	14,560	13,630	17,355	16,605	15,880	20,155
Property, plant and equipment.....	248,376	269,088	280,061	315,912	311,726	282,833	283,357
Intangibles	541	71	541	541	541	541	541
Other.....	500	500	500	900	1,300	1,700	2,100
Total non-current assets	259,402	284,219	294,732	334,708	330,172	300,954	306,153
TOTAL ASSETS.....	330,504	363,885	372,746	390,079	381,727	351,972	350,377
CURRENT LIABILITIES							
Employee provisions	13,997	12,226	14,362	14,994	16,039	17,509	19,417
Payables.....	3,588	4,617	4,622	3,868	3,948	4,033	4,123
Other.....	9,565	3,932	11,995	12,682	45,490	14,456	15,162
Total current liabilities	27,150	20,775	30,979	31,544	65,477	35,998	38,702
NON-CURRENT LIABILITIES							
Employee provisions	10,336	11,077	11,519	12,656	13,590	14,889	16,561
Borrowings	-	44,452	43,936	70,803	36,588	45,293	49,228
Total non-current liabilities	10,336	55,529	55,455	83,459	50,178	60,182	65,789
TOTAL LIABILITIES	37,486	76,304	86,434	115,003	115,655	96,180	104,491
EQUITY							
Contributed equity.....	120,784	115,023	120,784	115,006	107,171	98,655	90,059
Accumulated surplus/(deficit)	101,228	95,807	95,570	90,112	88,943	87,179	85,869
Reserves	71,006	76,751	69,958	69,958	69,958	69,958	69,958
Total equity.....	293,018	287,581	286,312	275,076	266,072	255,792	245,886
TOTAL LIABILITIES AND EQUITY	330,504	363,885	372,746	390,079	381,727	351,972	350,377

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	42,094	19,969	19,142	18,326	18,140	19,008	19,280
Capital appropriation.....	27,761	-	-	-	-	-	-
Holding account drawdowns.....	-	-	-	-	-	5,000	5,000
Royalties for regions fund ^(b)	-	-	-	128	132	136	140
Net cash provided by State Government.....	69,855	19,969	19,142	18,454	18,272	24,144	24,420
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(138,652)	(149,199)	(151,334)	(158,960)	(170,739)	(179,625)	(185,201)
Grants and subsidies.....	(36,230)	(33,906)	(34,000)	(35,778)	(30,405)	(35,329)	(35,531)
Supplies and services.....	(42,166)	(45,125)	(42,254)	(51,116)	(50,195)	(50,419)	(51,374)
Accommodation.....	(7,208)	(8,200)	(8,200)	(8,647)	(8,786)	(9,006)	(9,208)
Other payments.....	(31,039)	(34,715)	(34,040)	(37,036)	(38,436)	(38,845)	(40,010)
Receipts							
Regulatory fees and fines.....	182,602	217,794	218,536	234,141	247,764	264,439	273,364
Grants and subsidies.....	11,173	4,615	9,044	9,233	9,363	9,493	9,623
Sale of goods and services.....	2,812	11,560	11,560	6,576	6,651	6,809	6,974
GST receipts.....	11,739	8,600	8,600	8,600	8,600	8,600	8,794
Other receipts.....	6,156	6,662	5,162	10,581	10,207	6,824	6,619
Net cash from operating activities.....	(40,813)	(21,914)	(16,926)	(22,406)	(15,976)	(17,059)	(15,950)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(24,783)	(61,380)	(43,840)	(48,261)	(8,985)	(16,678)	(14,195)
Proceeds from sale of non-current assets.....	275	-	-	-	-	32,100	-
Other receipts.....	-	-	-	1,644	-	-	-
Net cash from investing activities.....	(24,508)	(61,380)	(43,840)	(46,617)	(8,985)	15,422	(14,195)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(27,729)	(1,862)	(1,862)	(3,193)	(3,520)	(35,928)	(4,494)
Proceeds from borrowings.....	-	22,523	48,991	30,387	1,713	13,199	8,735
Net cash from financing activities.....	(27,729)	20,661	47,129	27,194	(1,807)	(22,729)	4,241
NET INCREASE/(DECREASE) IN CASH HELD.....	(23,195)	(42,664)	5,505	(23,375)	(8,496)	(222)	(1,484)
Cash assets at the beginning of the reporting period.....	80,400	74,845	57,205	62,710	39,335	30,839	30,617
Cash assets at the end of the reporting period.....	57,205	32,181	62,710	39,335	30,839	30,617	29,133

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

(b) Regional Infrastructure and Headworks Fund - \$0.1 million (2011-12), \$0.1 million (2012-13), \$0.1 million (2013-14), \$0.1 million (2014-15).

Part 10

Minister for Sport and Recreation; Racing and Gaming

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2010-11 Budget \$' 000	2010-11 Estimated Actual \$' 000	2011-12 Budget Estimate \$' 000
517	Sport and Recreation			
	- Delivery of Services.....	63,750	59,834	84,339
	- Capital Appropriation.....	4,300	4,300	27,700
	Total	68,050	64,134	112,039
529	Western Australian Sports Centre Trust			
	- Delivery of Services.....	15,969	15,577	18,263
	- Capital Appropriation.....	123,527	67,012	92,887
	Total	139,496	82,589	111,150
539	Racing, Gaming and Liquor			
	- Delivery of Services.....	3,211	3,689	4,358
	- Administered Grants, Subsidies and Other Transfer Payments.....	87,491	107,675	107,277
	Total	90,702	111,364	111,635
	GRAND TOTAL			
	- Delivery of Services.....	82,930	79,100	106,960
	- Administered Grants, Subsidies and Other Transfer Payments.....	87,491	107,675	107,277
	- Capital Appropriation.....	127,827	71,312	120,587
	Total.....	298,248	258,087	334,824

SPORT AND RECREATION

PART 10 - MINISTER FOR SPORT AND RECREATION; RACING AND GAMING

DIVISION 45

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 70 Net amount appropriated to deliver services	25,641	25,177	29,226	42,250	30,174	30,892	31,879
Item 71 Contribution to Community Sporting and Recreation Facilities Fund	15,000	25,000	17,000	28,000	29,151	9,151	9,151
Amount Authorised by Other Statutes							
- Lotteries Commission Act 1990	13,500	13,347	13,382	13,818	14,274	14,783	14,783
- Salaries and Allowances Act 1975.....	214	226	226	271	278	285	285
Total appropriations provided to deliver services	54,355	63,750	59,834	84,339	73,877	55,111	56,098
CAPITAL							
Item 140 Capital Appropriation.....	669	4,300	4,300	27,700	67,850	31,750	-
TOTAL APPROPRIATIONS	55,024	68,050	64,134	112,039	141,727	86,861	56,098
EXPENSES							
Total Cost of Services	61,916	68,549	73,785	89,144	80,478	60,842	60,980
Net Cost of Services ^(a)	56,104	64,280	69,067	84,342	75,676	56,040	56,178
CASH ASSETS ^(b)	15,642	7,309	6,581	6,730	5,031	4,260	4,333

(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 SPENDING CHANGES

Details of major decisions impacting on the agency's Income Statement since publication of the 2010-11 Budget to Parliament on 20 May 2010 are outlined below.

	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Barbagallo Raceway.....	5,000	5,560	-	-	-
Community Sporting and Recreation Facilities Fund.....	-	-	10,000	-	-
Fixed Asset Revaluation - Impact on Depreciation	(951)	(1,071)	(1,109)	(1,219)	(1,131)
Recreation Camps Maintenance	250	500	-	-	-
Rectangular Stadium - Contingent One-Off Payment	-	5,000	-	-	-
Regional Office Accommodation.....	250	250	-	-	-
Sport for All	-	5,000	5,000	5,000	5,000
Surf Life Saving Western Australia	-	1,000	-	-	-

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 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
Results-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	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
1. Infrastructure and Organisational Development.....	44,170	53,674	58,378	72,560	64,061	44,100	43,820
2. People Development in Sport and Recreation.....	9,848	8,379	9,527	10,667	10,844	11,012	11,307
3. Recreation Camps Management.....	7,898	6,496	5,880	5,917	5,573	5,730	5,853
Total Cost of Services.....	61,916	68,549	73,785	89,144	80,478	60,842	60,980

Significant Issues Impacting the Agency

- A significant proportion of the community is not able to afford registration fees to enable their children to participate in positive club-based sport and recreation activities. Sport and recreation clubs and organisations are under significant pressure to maintain accessible and affordable activities while coping with increased pressures of managing a volunteer workforce and rising operational costs. As part of the solution, a major component of the new Sport for All package will see Government partner the community and business sector to deliver subsidised opportunities for participation to those most in need sectors of the community that cannot currently afford to participate.
- Physical activity participation rates of a significant proportion of the community remain unacceptably low. This generation of children spends more time indoors than any other generation in history. The challenge is to continue to develop bold initiatives to motivate the community to live an active lifestyle. Nature Play Western Australia is a flagship initiative as part of the Sport for All package that will encourage every parent of primary school children in Western Australia to get more children outside and playing more often. This will seriously bolster the impact of existing whole-of-government policy and program initiatives coordinated by the Physical Activity Task Force.

- The volunteer and club structure that underpins the delivery of sport and recreation opportunities in our community requires significant ongoing training, support and development. Approximately 60% of community volunteers are in the sport and recreation sector. Through Sport for All, the Government will support the sport and recreation sector to bolster the industry's attraction and retention strategies for its crucial volunteer personnel, and to significantly boost the business efficiencies of the underpinning associations and over 5,000 not-for-profit clubs that support these volunteers and participants.
- The complex task of planning for and providing appropriate contemporary and sustainable community sport and recreation facilities continues to be a challenge. Facilities that cater for all levels are essential in encouraging participation in sport and recreation and need to be provided to meet community needs across Western Australia. The Community Sporting and Recreation Facilities Fund continues to provide a policy framework and investment strategy to guide and support community investment in sustainable and well planned community sport and recreation infrastructure.
- There is pressure to provide leadership and critical direction to the community on a changing climate and its impact on sustainable natural resource management. Issues such as water and energy management, planning for effective provision of public open space and the sustainability of sport and recreation infrastructure across the State provide complex challenges. Continued effort applied in cross-government policy endeavours will boost government's capacity to respond to these challenges.
- The effort associated with harnessing the power of the sport and recreation setting to partner other government and community agencies on key policy objectives is challenging. The sport and recreation setting can contribute significantly to policy outcomes in many related policy areas, such as education, health, mental health, juvenile justice, environment, water and regional development. Sport for All will strongly contribute to policy outcomes across government.
- Major facility provision continues to draw significant community interest and demand. In addition to previous commitments for netball, motorsport, rectangle sports and others, budgetary allocations have been made to plan for:
 - a new Western Australian Institute of Sport (WAIS) high-performance facility in the Challenge Stadium Precinct (\$2.0 million);
 - planning for Perth's New Major Stadium (\$13.0 million); and
 - support for the Surf Life Saving WA (\$1.0 million) to consolidate their service and administrative facilities in one location.

Outcomes and Key Effectiveness Indicators ^(a)

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 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)	100%	100%	100%	100%	
Stakeholders reflecting social policy in their operations	96%	98%	98%	98%	
Satisfaction rating of the agency's consultation advice to clients	87%	90%	90%	90%	
Satisfaction rating of camps management and service delivery	93%	85%	87%	87%	

(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.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 44,170	\$'000 53,674	\$'000 58,378	\$'000 72,560	1
Less Income.....	764	347	775	775	
Net Cost of Service	43,406	53,327	57,603	71,785	
Employees (Full Time Equivalents)	90	93	90	92	
Efficiency Indicators					
Average Cost to Manage Grants.....	\$1,921	\$1,719	\$2,503	\$2,602	2
Average Cost of Grants Provided.....	\$42,767	\$51,890	\$55,191	\$68,290	
Average Cost of Providing Consultancy to Organisations	\$13,098	\$13,919	\$11,603	\$10,628	

Explanation of Significant Movements

(Notes)

1. The increase in the 2011-12 Budget Target is primarily due to an increase in Community Sporting and Recreation Facilities Fund (CSRFF) funding, new funding allocation for the Sport for All program, a one-off payment for the Rectangular Stadium and a grant to Surf Life Saving Western Australia.
2. The average cost increases in the 2010-11 Estimated Actual and the 2011-12 Budget Target are due to a reduction in grants managed, resulting from grant applications being consolidated at the application stage.

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).

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 9,848	\$'000 8,379	\$'000 9,527	\$'000 10,667	1
Less Income.....	1,906	864	885	885	
Net Cost of Service	7,942	7,515	8,642	9,782	
Employees (Full Time Equivalents)	40	41	40	41	
Efficiency Indicators					
Average Cost of Providing Services.....	\$749	\$931	\$936	\$955	

Explanation of Significant Movements

(Notes)

1. The increase in the 2011-12 Budget Target is due to funding for the Sport for All program.

3: Recreation Camps Management

The Department is responsible for five recreation camps, of which it operates four. The four metropolitan camps offer outdoor recreation programs which are designed to provide affordable experiential learning opportunities to the community and increase physical activity participation in the outdoors.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 7,898	\$'000 6,496	\$'000 5,880	\$'000 5,917	1
Less Income.....	3,142	3,058	3,058	3,142	
Net Cost of Service	4,756	3,438	2,822	2,775	
Employees (Full Time Equivalents)	49	43	49	47	2
Efficiency Indicators					
Average Cost per Bed Night	\$57	\$60	\$47	\$47	3
Average Cost per Participation.....	\$21	\$20	\$20	\$20	

Explanation of Significant Movements

(Notes)

1. The decrease in total costs is due to a revaluation of camps improvements in 2009-10 which resulted in the recognition of a revaluation decrement expense (\$1.2 million) in 2009-10 and reduced depreciation from 2010-11 onwards.
2. Full Time Equivalent (FTEs) employees have increased due to the reallocation of corporate overhead FTEs and an increase in casual instructors due to increased service demand funded by own sourced revenues.
3. The reduction in the 2010-11 Estimated Actual and the 2011-12 Budget Target compared to the 2009-10 Actual and the 2010-11 Budget is due to lower depreciation charges resulting from the camps improvements revaluation undertaken.

ASSET INVESTMENT PROGRAM

Master planning and design work for a new \$26.1 million State Netball Centre at the Matthews netball facility is under way with construction expected to commence in 2011.

An allocation of \$90.5 million (including \$2.5 million for planning) to upgrade the rectangular stadium at Perth Oval continues. A project definition plan for the east stand will be completed by July 2011 and it is anticipated that a tender for construction will be issued in 2011-12.

New funding of \$13.0 million has been allocated over two years to undertake planning for Perth's New Major Stadium. This funding will ensure the design and location of the stadium provides the flexibility for Western Australia to participate in bidding for a variety of major sporting events.

Planning for a new purpose-built WAIS facility will commence to provide much needed facilities within walking distance of a number of State sporting facilities including Challenge Stadium, Western Australian Athletics Stadium and Western Australian Basketball Centre. New funding of \$2.0 million will enable a review of the business case and completion of a project definition plan.

The allocation of funding for computer hardware/software (\$330,000) and office equipment replacement (\$114,000) relate to the ongoing replacement of network hardware and software consistent with industry standards. The Camps Plant and Equipment Ongoing Replacement Program (\$65,000) and the Program Equipment (\$95,000) are on target to meet procurement timeframes.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
Rectangular Stadium - Planning	2,500	2,300	2,300	200	-	-	-
State Netball Centre - Construction	26,100	2,000	2,000	12,500	11,000	600	-
COMPLETED WORKS							
Camps Plant and Equipment Ongoing Replacement							
2010-11 Program	45	45	45	-	-	-	-
Computer Hardware and Software - 2010-11 Program	322	322	322	-	-	-	-
Office Equipment Replacement - 2010-11 Program	111	111	111	-	-	-	-
Program Equipment - 2010-11 Program	95	95	95	-	-	-	-
NEW WORKS							
Camps Plant and Equipment Ongoing Replacement							
2011-12 Program	65	-	-	65	-	-	-
2012-13 Program	65	-	-	-	65	-	-
2013-14 Program	65	-	-	-	-	65	-
2014-15 Program	65	-	-	-	-	-	65
Computer Hardware and Software							
2011-12 Program	330	-	-	330	-	-	-
2012-13 Program	330	-	-	-	330	-	-
2013-14 Program	330	-	-	-	-	330	-
2014-15 Program	330	-	-	-	-	-	330
New Major Stadium - Planning	13,000	-	-	5,000	8,000	-	-
Office Equipment Replacement							
2011-12 Program	114	-	-	114	-	-	-
2012-13 Program	114	-	-	-	114	-	-
2013-14 Program	114	-	-	-	-	114	-
2014-15 Program	114	-	-	-	-	-	114
Program Equipment							
2011-12 Program	95	-	-	95	-	-	-
2012-13 Program	95	-	-	-	95	-	-
2013-14 Program	95	-	-	-	-	95	-
2014-15 Program	95	-	-	-	-	-	95
Rectangular Stadium - Development	88,000	-	-	8,000	48,850	31,150	-
Western Australian Institute of Sport - High Performance Service Centre - Planning	2,000	-	-	2,000	-	-	-
Total Cost of Asset Investment Program	134,589	4,873	4,873	28,304	68,454	32,354	604
FUNDED BY							
Capital Appropriation			4,300	27,700	67,850	31,750	-
Drawdowns from the Holding Account			573	604	604	604	604
Total Funding			4,873	28,304	68,454	32,354	604

FINANCIAL STATEMENTS

Income Statement

Expenses

There is an increase in Grants and Subsidies expense in 2011-12, which reflects the increase in CSRFF grant payments, the Surf Life Saving Western Australia grant and the Sport for All program.

Income

The reduction in the service appropriation for the 2010-11 Estimated Actual, compared to the Budget, is due to a reflow of CSRFF funding (\$8.0 million) from 2010-11 into 2011-12, offset by funding for the Barbagallo Raceway (\$5.0 million).

The service appropriation will be higher in 2011-12 due to:

- CSRFF appropriation (\$11.0 million);
- Sport for All (\$5.0 million);
- Rectangular Stadium contingent one-off payment (\$5.0 million); and
- Surf Life Saving Western Australia grant (\$1.0 million).

The \$9.2 million deficit estimated in 2010-11 is primarily due to the funding of infrastructure grants that were appropriated to the Department in previous financial years. The forecast deficits in 2012-13 and 2013-14 are mainly due to funding of community projects from the Sports Lotteries Account cash balances.

Statement of Financial Position

The increase in contributed equity and non-current assets over the budget year and forward estimates reflects the approved funding for the State Netball Centre construction (\$26.1 million), New Major Stadium planning (\$13.0 million), Rectangular Stadium planning and development (\$90.5 million) and Western Australian Institute of Sport (WAIS) High Performance Service Centre planning (\$2.0 million). The Department is funded for the development of these projects. Upon completion, the control of these venues will be transferred to other government agencies.

There was a revaluation of the improvement assets at recreation camps undertaken by Landgate Valuation Services for the 2009-10 statutory financial statements. This led to a reduction in the Property Plant and Equipment and Reserves accounts for the 2010-11 Estimated Actual compared to the 2010-11 Budget.

Statement of Cashflows

The reduction in the service appropriation for the 2010-11 Estimated Actual compared to the 2010-11 Budget is due to a reflow of CSRFF appropriation (\$8.0 million) from 2010-11 into 2011-12, offset by funding for the Barbagallo Raceway.

The service appropriation will be higher in 2011-12 due to:

- CSRFF appropriation (\$11.0 million);
- Sport for All (\$5.0 million);
- Rectangular Stadium contingent one-off payment (\$5.0 million); and
- Surf Life Saving Western Australia grant (\$1.0 million).

The capital appropriation and purchase of non-current assets will increase over the budget year and forward estimates due to the approved funding for the State Netball Centre construction (\$26.1 million), New Major Stadium planning (\$13.0 million), Rectangular Stadium development and planning (\$90.5 million) and WAIS High Performance Service Centre planning (\$2.0 million). The Department is funded for the development of these projects. Upon completion, the control of these venues will be transferred to other government agencies.

The reduction in the cash balance of \$9.1 million (2010-11 Estimated Actual) is primarily due to the funding of infrastructure projects that were appropriated to the Department in previous financial years. The forecast cash balance reductions in 2012-13 (\$1.7 million) and 2013-14 (\$0.8 million) are mainly due to funding of community projects from the Sports Lotteries Account.

INCOME STATEMENT ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	15,490	15,061	15,736	16,281	16,936	17,487	18,022
Grants and subsidies ^(c)	34,727	45,662	48,402	63,523	56,172	35,757	34,913
Supplies and services	5,983	2,955	5,484	4,923	3,646	3,890	4,155
Accommodation	1,393	1,348	1,886	2,147	1,411	1,497	1,560
Depreciation and amortisation	2,280	2,339	1,388	1,378	1,421	1,311	1,399
Other expenses	2,043	1,184	889	892	892	900	931
TOTAL COST OF SERVICES	61,916	68,549	73,785	89,144	80,478	60,842	60,980
Income							
Sale of goods and services	3,092	3,058	3,058	3,142	3,142	3,142	3,142
Grants and subsidies	1,775	1,136	1,157	1,157	1,157	1,157	1,157
Other revenue	945	75	503	503	503	503	503
Total Income	5,812	4,269	4,718	4,802	4,802	4,802	4,802
NET COST OF SERVICES	56,104	64,280	69,067	84,342	75,676	56,040	56,178
INCOME FROM STATE GOVERNMENT							
Service appropriations	54,355	63,750	59,834	84,339	73,877	55,111	56,098
Resources received free of charge	255	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	54,610	63,750	59,834	84,339	73,877	55,111	56,098
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(1,494)	(530)	(9,233)	(3)	(1,799)	(929)	(80)
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	(1,494)	(530)	(9,233)	(3)	(1,799)	(929)	(80)

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

(b) The Full Time Equivalents (FTEs) for 2009-10 Actual, 2010-11 Estimated Actual and 2011-12 Estimates are 179, 179 and 180 respectively. In some cases the figures for 2009-10 and 2010-11 may differ from previously published figures due to changes in calculation methodology.

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

Details of Controlled Grants and Subsidies

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Commonwealth Grants	321	335	428	428	428	428	428
Community Sporting and Recreational Facilities Fund	15,032	25,000	17,117	27,340	29,151	9,151	9,151
Sports Financial Grants	7,204	6,980	16,771	22,111	10,551	10,551	10,551
Sports Lotteries Account	12,170	13,347	14,086	13,644	16,042	15,627	14,783
TOTAL	34,727	45,662	48,402	63,523	56,172	35,757	34,913

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	7,524	4	551	1,183	1,183	1,183	1,183
Restricted cash.....	7,843	7,095	5,691	5,142	3,374	2,530	3,150
Holding account receivables.....	573	604	604	604	604	604	604
Receivables	1,257	2,971	1,257	1,257	1,257	1,257	1,257
Other.....	163	100	133	133	133	133	133
Total current assets.....	17,360	10,774	8,236	8,319	6,551	5,707	6,327
NON-CURRENT ASSETS							
Holding account receivables.....	5,293	7,028	6,077	6,851	7,668	8,375	9,170
Property, plant and equipment.....	17,970	38,265	21,595	48,651	115,684	146,727	145,932
Restricted cash.....	275	210	339	405	474	547	-
Other.....	270	2,239	130	-	-	-	-
Total non-current assets	23,808	47,742	28,141	55,907	123,826	155,649	155,102
TOTAL ASSETS.....	41,168	58,516	36,377	64,226	130,377	161,356	161,429
CURRENT LIABILITIES							
Employee provisions	2,207	1,916	2,295	2,365	2,435	2,508	2,584
Payables.....	240	1,032	240	240	240	240	240
Other.....	695	566	723	785	795	858	914
Total current liabilities	3,142	3,514	3,258	3,390	3,470	3,606	3,738
NON-CURRENT LIABILITIES							
Employee provisions	642	477	668	688	708	730	751
Total non-current liabilities	642	477	668	688	708	730	751
TOTAL LIABILITIES	3,784	3,991	3,926	4,078	4,178	4,336	4,489
EQUITY							
Contributed equity.....	25,351	29,851	29,651	57,351	125,201	156,951	156,951
Accumulated surplus/(deficit)	11,873	6,668	2,640	2,637	838	(91)	(171)
Reserves	160	18,006	160	160	160	160	160
Total equity.....	37,384	54,525	32,451	60,148	126,199	157,020	156,940
TOTAL LIABILITIES AND EQUITY	41,168	58,516	36,377	64,226	130,377	161,356	161,429

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	51,892	61,411	58,446	82,961	72,456	53,800	54,699
Capital appropriation	669	4,300	4,300	27,700	67,850	31,750	-
Holding account drawdowns	386	573	573	604	604	604	604
Net cash provided by State Government	52,947	66,284	63,319	111,265	140,910	86,154	55,303
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(14,606)	(15,070)	(15,594)	(16,129)	(16,835)	(17,330)	(17,869)
Grants and subsidies	(35,352)	(45,662)	(48,402)	(63,523)	(56,172)	(35,757)	(34,913)
Supplies and services	(6,123)	(2,998)	(5,484)	(4,923)	(3,646)	(3,890)	(4,155)
Accommodation	(1,459)	(1,348)	(1,886)	(2,147)	(1,411)	(1,497)	(1,560)
Other payments	(6,422)	(3,177)	(7,148)	(10,655)	(14,236)	(8,426)	(5,235)
Receipts							
Grants and subsidies	1,775	1,136	1,157	1,157	1,157	1,157	1,157
Sale of goods and services	3,166	3,058	3,058	3,142	3,142	3,142	3,142
GST receipts	7,245	2,074	6,259	9,763	13,343	7,527	4,304
Other receipts	905	75	503	503	503	503	503
Net cash from operating activities	(50,871)	(61,912)	(67,537)	(82,812)	(74,155)	(54,571)	(54,626)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(395)	(4,873)	(4,873)	(28,304)	(68,454)	(32,354)	(604)
Proceeds from sale of non-current assets	1	-	-	-	-	-	-
Net cash from investing activities	(394)	(4,873)	(4,873)	(28,304)	(68,454)	(32,354)	(604)
CASHFLOWS FROM FINANCING ACTIVITIES							
Other proceeds	10	-	30	-	-	-	-
Net cash from financing activities	10	-	30	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	1,692	(501)	(9,061)	149	(1,699)	(771)	73
Cash assets at the beginning of the reporting period	13,950	7,810	15,642	6,581	6,730	5,031	4,260
Cash assets at the end of the reporting period	15,642	7,309	6,581	6,730	5,031	4,260	4,333

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

AGENCY SPECIAL PURPOSE ACCOUNT DETAILS**Community Sporting and Recreation Facilities Fund 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.

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000
Opening Balance	2,483	2,483	1,777	1,000
Receipts: Appropriations	15,000	25,000	17,000	28,000
Payments	17,483 15,706	27,483 25,000	18,777 17,777	29,000 28,000
CLOSING BALANCE.....	1,777	2,483	1,000	1,000

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 1990*, to be applied in such proportions and among such bodies engaged in the conduct of sport in the State.

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000
Opening Balance	4,824	4,824	5,375	3,970
Receipts:				
Appropriations	13,500	13,347	13,382	13,818
Other	32	-	-	-
Payments	18,356 12,981	18,171 13,347	18,757 14,787	17,788 14,367
CLOSING BALANCE.....	5,375	4,824	3,970	3,421

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.

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000
Opening Balance	403	-	278	-
Receipts: Other	15	-	15	-
Payments	418 140	- -	293 293	- -
CLOSING BALANCE.....	278	-	-	-

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:

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
GST Input Credits	6,664	1,619	5,953	9,449	13,029	7,213	3,990
GST Receipts on Sales	581	455	306	314	314	314	314
Other Receipts	905	75	503	503	503	503	503
Proceeds from the Provision of Sport Development Services to Industry Bodies	902	272	272	272	272	272	272
Proceeds from the Provision of Sport Participation Services to the Commonwealth...	873	864	885	885	885	885	885
Proceeds from the Provision of Accommodation and Recreation Programs	3,166	3,058	3,058	3,142	3,142	3,142	3,142
TOTAL.....	13,091	6,343	10,977	14,565	18,145	12,329	9,106

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

DIVISION 46

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 72 Net amount appropriated to deliver services	11,355	15,969	15,577	18,263	22,060	24,951	27,110
Total appropriations provided to deliver services	11,355	15,969	15,577	18,263	22,060	24,951	27,110
CAPITAL							
Item 141 Capital Appropriation.....	73,452	123,527	67,012	92,887	-	-	-
TOTAL APPROPRIATIONS	84,807	139,496	82,589	111,150	22,060	24,951	27,110
EXPENSES							
Total Cost of Services	32,643	35,979	36,072	40,271	45,532	48,431	50,600
Net Cost of Services ^(a)	13,706	15,934	14,642	18,263	24,450	27,341	29,500
CASH ASSETS ^(b)	36,155	4,677	2,174	2,161	2,161	2,161	2,161

(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 SPENDING CHANGES

Details of major decisions impacting on the agency's Income Statement since publication of the 2010-11 Budget to Parliament on 20 May 2010 are outlined below.

	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Depreciation Expense.....	1,035	(3,321)	1,571	1,639	1,639
Rugby Stadium Operational and Maintenance Costs	-	311	268	299	285

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
Results-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	Sustainable, accessible and profitable state assets delivering sport, recreation and entertainment opportunities for Western Australians.	1. Provision of Elite Sport Facilities and Support 2. Provision of Community Facilities and Services 3. Provision of Competitive and Cost Effective State Owned Assets

Service Summary

Expense	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
1. Provision of Elite Sport Facilities and Support	16,425	13,419	17,688	19,937	28,190	30,433	32,512
2. Provision of Community Facilities and Services	7,884	11,280	8,967	9,942	8,446	8,774	8,819
3. Provision of Competitive and Cost Effective State Owned Assets.....	8,334	11,280	9,417	10,392	8,896	9,224	9,269
Total Cost of Services.....	32,643	35,979	36,072	40,271	45,532	48,431	50,600

Significant Issues Impacting the Agency

- Managing the significant growth of the asset portfolio on behalf of the State and ensuring the best management solutions are in place on a venue by venue basis are key challenges for the Trust (VenuesWest). With the opening of the new Rugby facility, preparation for the commissioning and opening of the new Perth Arena, planning of the new State Netball Centre and redevelopment of the Rectangular Stadium, VenuesWest will be particularly focused on stakeholder management and the integration of new venues into the current portfolio in 2011-12.
- The Challenge Stadium/Mt Claremont sporting precinct continues to develop into a world class multi-sport precinct. Longer-term planning for future national and international sporting events will be a focus in 2011-12. Competition for the right to host events remains strong. National and international sporting 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. Compliance with detailed specifications remains challenging but will be assisted by the increased capital enhancement funds made available to VenuesWest.
- The need to ensure that State owned sporting, recreation and entertainment venues are utilised to the best of their capacity whilst ensuring a balance across its business mix of elite, community and commercial clients is challenging. The original design of the venues and the need to undertake commercial activity has the potential for increased conflicts across this mix of clients, as they compete for limited facility availability.

- The increased number and complexity of venues managed or governed by VenuesWest, combined with the increased demand for access to the facilities places increasing pressure on traditional information, communication and technology systems to deliver an efficient and reliable booking service. VenuesWest will develop strategies to meet these challenges.
- An inherent component of the combined sport, recreation and entertainment industries is a high employee turnover rate and the need to constantly re-skill staff. Workforce planning to cater for the increased scope of responsibilities in the face of high employment levels is essential to ensure scalability and consistency in service delivery.
- Expectations of sporting codes and the community regarding improvement in facilities are growing at a greater rate than ability to pay. Increased exposure via travel and television to state of the art venues leads to comparisons with local infrastructure. In spite of the significant investment by the State in facilities in recent years, the majority of the State's infrastructure is ageing, resulting in an increasing need for refurbishment or replacement. The asset investment program will deliver \$3.7 million to the older venues for the express purpose of capital maintenance and enhancement.

Outcomes and Key Effectiveness Indicators ^(a)

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Outcome: Sustainable, accessible and profitable state assets delivering sport, recreation and entertainment opportunities for Western Australians:					
Percentage of targeted sports where venues meet international competition standards.....	n/a	n/a	n/a	n/a	1
Elite user satisfaction	90%	83%	88%	88%	2
Percentage of visitors whose expectations were met or exceeded by VenuesWest services	86%	85%	85%	85%	
Commercial user satisfaction	n/a	80%	80%	80%	3

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

Explanation of Significant Movements

(Notes)

1. Work to determine the establishment and achievement of relevant standards by VenuesWest's venues will be undertaken in consultation with the Western Australian Institute of Sport for publication in VenuesWest's 2010-11 Annual Report. This information is not yet available.
2. The actual satisfaction levels were nearly nine percentage points higher than in 2008-09, where a satisfaction level of 81% was recorded. The target for 2010-11 was revised downwards to 83% based on the level of capital reinvestment in VenuesWest's ageing facilities. The injection of funds for this specific purpose will enable VenuesWest to maintain high satisfaction results.
3. This data has not previously been collected.

Services and Key Efficiency Indicators

1: Provision of Elite Sport Facilities and Support

Manage and maintain facilities of an international level for elite sport programs.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service	\$'000 16,425	\$'000 13,419	\$'000 17,688	\$'000 19,937	1
Less Income	5,514	4,645	5,516	5,073	
Net Cost of Service	10,911	8,774	12,172	14,864	
Employees (Full Time Equivalents)	73	73	76	74	
Efficiency Indicators					
Direct Government Funding Compared to Provision of Elite Sports Facilities (\$ per Hour)	\$295	\$200	\$300	\$300	1

Explanation of Significant Movements

(Notes)

1. The cost of provision of elite sport facilities and support services is increasing significantly over the budget period in line with the increased depreciation expense attributable to new venues, which don't have the same volume of elite utilisation as traditional venues. This also impacts the cost per hour of provision of facilities for elite sport training and competition.

2: Provision of Community Facilities and Services

Manage and maintain facilities to provide for community services and programs.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service	\$'000 7,884	\$'000 11,280	\$'000 8,967	\$'000 9,942	
Less Income	2,953	3,388	3,501	3,726	
Net Cost of Service	4,931	7,892	5,466	6,216	
Employees (Full Time Equivalents)	75	75	90	75	
Efficiency Indicators					
Average Cost per Visit of Providing Community Facilities and Services	\$8.53	\$7.10	\$7.40	\$7.90	

3: Provision of Competitive and Cost Effective State Owned Assets

Manage and maintain facilities to provide for sporting and entertainment programs and events that are commercially viable and cost effective.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	8,334	11,280	9,417	10,392	
Less Income.....	10,470	12,012	12,413	13,209	
Net Cost of Service	(2,136)	(732)	(2,996)	(2,817)	
Employees (Full Time Equivalents)	78	78	93	78	
Efficiency Indicators					
Ratio of Commercial Revenue Compared to Total Operating Expenses.....	74%	67%	74%	68%	

ASSET INVESTMENT PROGRAM

VenuesWest's expenditure on asset investment has increased substantially since 2008-09 when it assumed client agency status, budget responsibility and overall project completion and governance responsibility for the Perth Arena. The Arena is expected to be completed in 2012 and will host a variety of entertainment events such as international performing artists, family shows, tennis, basketball, netball and production spectacles.

From 2012-13 the asset investment program returns to a baseline level which relates to ongoing capital upgrade and maintenance requirements associated with VenuesWest's portfolio of assets. These venues include Arena Joondalup, Challenge Stadium, Midvale SpeedDome, Perth Motorplex, Western Australian Athletics Stadium, the Western Australian Basketball Centre and from 2011-12, the new State Rugby facility. The required capital expenditure for upgrading and maintaining Perth Arena will be calculated after the management contract is finalised.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
Perth Arena	465,071	372,584	101,127	92,487	-	-	-
COMPLETED WORKS							
Capital Upgrades and Maintenance - 2010-11 Program.....	4,044	4,044	4,044	-	-	-	-
NEW WORKS							
Capital Upgrades and Maintenance							
2011-12 Program	3,845	-	-	3,845	-	-	-
2012-13 Program	3,705	-	-	-	3,705	-	-
2013-14 Program	3,705	-	-	-	-	3,705	-
2014-15 Program	3,705	-	-	-	-	-	3,705
Total Cost of Asset Investment Program.....	484,075	376,628	105,171	96,332	3,705	3,705	3,705
FUNDED BY							
Capital Appropriation.....			67,012	92,887	-	-	-
Drawdowns from the Holding Account.....			3,354	3,445	3,705	3,705	3,705
Internal Funds and Balances.....			34,805	-	-	-	-
Total Funding			105,171	96,332	3,705	3,705	3,705

FINANCIAL STATEMENTS**Income Statement***Expenses*

The increased cost of services for 2011-12 is primarily due to the pre-opening costs for the Perth Arena. The appropriation and expenses for pre-opening will cease at the end of 2011-12.

Significant increases to depreciation expense across the out-years relate to the take-up of new venue assets in the Perth Arena and the new Rugby facility from 2012.

Income

Service appropriation has increased due to increased funding for depreciation expense. This is mainly attributable to the take-up of new venue assets in the Perth Arena and the Rugby facility in 2012.

Statement of Financial Position

The significant reduction in current assets from 2009-10 is primarily due to the expenditure of cash received in 2009-10 for the Perth Arena project.

The increase to non-current assets is mainly due to the works-in-progress value of the Perth Arena asset and the Rugby facility being taken-up in 2012.

Statement of Cashflows

The increased cost of services for 2011-12 is primarily due to the costs associated with the pre-opening costs for the Perth Arena. The appropriation and payments for pre-opening will cease at the end of 2011-12.

Capital appropriations cease after 2011-12 because the Perth Arena construction is expected to be completed. This is also reflected in the payment item 'Purchase of non-current assets'.

Figures under the item 'Cashflows from Investing Activities' relate to capital expenditure and show that capital construction costs of the Perth Arena cease after 2011-12 when the venue is completed, reducing to include only VenuesWest's capital upgrade and maintenance program in the out-years.

INCOME STATEMENT ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^{(b)(c)}	14,019	14,841	15,149	16,177	15,910	16,407	16,501
Supplies and services	6,533	3,593	9,221	11,128	6,453	6,569	6,569
Accommodation	1,475	2,075	2,157	2,299	2,299	2,299	2,299
Depreciation and amortisation	6,991	6,063	7,098	8,034	18,282	20,088	22,107
Other expenses	3,625	9,407	2,447	2,633	2,588	3,068	3,124
TOTAL COST OF SERVICES	32,643	35,979	36,072	40,271	45,532	48,431	50,600
Income							
Sale of goods and services	16,270	16,893	18,931	18,046	18,050	18,054	18,058
Grants and subsidies	-	568	-	-	-	-	-
Other revenue	2,667	2,584	2,499	3,962	3,032	3,036	3,042
Total Income	18,937	20,045	21,430	22,008	21,082	21,090	21,100
NET COST OF SERVICES	13,706	15,934	14,642	18,263	24,450	27,341	29,500
INCOME FROM STATE GOVERNMENT							
Service appropriations	11,355	15,969	15,577	18,263	22,060	24,951	27,110
Other appropriations	-	-	-	-	2,390	2,390	2,390
TOTAL INCOME FROM STATE GOVERNMENT	11,355	15,969	15,577	18,263	24,450	27,341	29,500
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(2,351)	35	935	-	-	-	-
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	(2,351)	35	935	-	-	-	-

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

(b) The Full Time Equivalents (FTEs) for 2009-10 Actual, 2010-11 Estimated Actual and 2011-12 Estimates are 226, 259 and 227 respectively. In some cases the figures for 2009-10 and 2010-11 may differ from previously published figures due to changes in calculation methodology. A review of the VenuesWest FTE figures will be undertaken before the 2011-12 Mid-Year Review to confirm calculation methodology and reset the FTE cap if necessary.

(c) The increased use of casual staff is due to significantly increased numbers of events, increased childcare and swim school enrolments as well as greater numbers of patrons visiting the venues requiring higher number of instructors, lifeguards and event-based casual staff.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	36,155	4,677	2,174	2,161	2,161	2,161	2,161
Holding account receivables.....	3,354	5,245	3,445	3,705	3,705	3,705	3,705
Receivables	4,624	535	4,624	4,624	4,624	4,624	4,624
Other.....	766	383	766	766	766	766	766
Total current assets.....	44,899	10,840	11,009	11,256	11,256	11,256	11,256
NON-CURRENT ASSETS							
Holding account receivables.....	13,707	14,560	17,360	21,689	36,266	52,649	71,051
Property, plant and equipment.....	497,252	695,721	624,860	750,443	806,125	865,728	929,542
Total non-current assets	510,959	710,281	642,220	772,132	842,391	918,377	1,000,593
TOTAL ASSETS.....	555,858	721,121	653,229	783,388	853,647	929,633	1,011,849
CURRENT LIABILITIES							
Employee provisions	1,612	1,299	1,612	1,612	1,612	1,612	1,612
Payables.....	1,449	1,035	1,449	1,449	1,449	1,449	1,449
Other.....	2,747	2,573	2,649	2,636	2,636	2,636	2,636
Total current liabilities	5,808	4,907	5,710	5,697	5,697	5,697	5,697
NON-CURRENT LIABILITIES							
Employee provisions	501	500	501	501	501	501	501
Borrowings	13	123	-	-	-	-	-
Total non-current liabilities	514	623	501	501	501	501	501
TOTAL LIABILITIES	6,322	5,530	6,211	6,198	6,198	6,198	6,198
EQUITY							
Contributed equity.....	440,459	541,420	507,471	610,358	610,358	610,358	610,358
Accumulated surplus/(deficit)	43,991	79,009	44,926	44,926	44,926	44,926	44,926
Reserves	65,086	95,162	94,621	121,906	192,165	268,151	350,367
Total equity.....	549,536	715,591	647,018	777,190	847,449	923,435	1,005,651
TOTAL LIABILITIES AND EQUITY	555,858	721,121	653,229	783,388	853,647	929,633	1,011,849

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	6,048	9,871	8,479	10,229	5,192	6,277	6,417
Capital appropriation	73,452	123,527	67,012	92,887	-	-	-
Holding account drawdowns	1,627	3,354	3,354	3,445	3,705	3,705	3,705
Administered appropriations	-	-	-	-	976	976	976
Net cash provided by State Government	81,127	136,752	78,845	106,561	9,873	10,958	11,098
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(13,433)	(14,841)	(15,149)	(16,177)	(15,910)	(16,407)	(16,501)
Supplies and services	(5,683)	(3,341)	(8,067)	(10,579)	(5,904)	(6,020)	(6,020)
Accommodation	(1,475)	(1,913)	(2,157)	(2,299)	(2,299)	(2,299)	(2,299)
Other payments	(17,983)	(11,251)	(5,199)	(4,642)	(4,597)	(5,077)	(5,133)
Receipts							
Grants and subsidies	168	568	168	-	-	-	-
Sale of goods and services	14,570	16,893	18,931	18,046	18,050	18,054	18,058
GST receipts	11,408	1,430	1,430	1,460	1,460	1,460	1,460
Other receipts	2,499	2,584	2,499	3,962	3,032	3,036	3,042
Net cash from operating activities	(9,929)	(9,871)	(7,544)	(10,229)	(6,168)	(7,253)	(7,393)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(127,090)	(163,614)	(105,171)	(96,332)	(3,705)	(3,705)	(3,705)
Net cash from investing activities	(127,090)	(163,614)	(105,171)	(96,332)	(3,705)	(3,705)	(3,705)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings	(471)	-	(111)	(13)	-	-	-
Net cash from financing activities	(471)	-	(111)	(13)	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	(56,363)	(36,733)	(33,981)	(13)	-	-	-
Cash assets at the beginning of the reporting period	2,932	41,410	36,155	2,174	2,161	2,161	2,161
Net cash transferred to/from other agencies	89,586	-	-	-	-	-	-
Cash assets at the end of the reporting period	36,155	4,677	2,174	2,161	2,161	2,161	2,161

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

WESTERN AUSTRALIAN INSTITUTE OF SPORT

ASSET INVESTMENT PROGRAM

The program covers the Institute's upgrade and replacement of capital intensive sport facilities.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COMPLETED WORKS							
Asset Replacement - 2010-11 Program.....	635	635	635	-	-	-	-
NEW WORKS							
Asset Replacement							
2011-12 Program.....	277	-	-	277	-	-	-
2012-13 Program.....	350	-	-	-	350	-	-
2013-14 Program.....	305	-	-	-	-	305	-
2014-15 Program.....	283	-	-	-	-	-	283
Total Cost of Asset Investment Program.....	1,850	635	635	277	350	305	283
FUNDED BY							
Internal Funds and Balances.....			635	277	350	305	283
Total Funding			635	277	350	305	283

RACING, GAMING AND LIQUOR

PART 10 - MINISTER FOR SPORT AND RECREATION; RACING AND GAMING

DIVISION 47

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 73 Net amount appropriated to deliver services	2,926	2,946	3,424	4,081	3,553	3,718	3,812
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975.....	251	265	265	277	285	292	298
Total appropriations provided to deliver services	3,177	3,211	3,689	4,358	3,838	4,010	4,110
ADMINISTERED TRANSACTIONS							
Item 74 Amount provided for Administered Grants, Subsidies and Other Transfer Payments	80,976	82,491	102,675	102,277	103,900	106,980	109,160
Amount Authorised by Other Statutes							
- Liquor Control Act 1988	2,755	5,000	5,000	5,000	5,000	5,000	5,000
TOTAL APPROPRIATIONS	86,908	90,702	111,364	111,635	112,738	115,990	118,270
EXPENSES							
Total Cost of Services	11,649	11,647	12,766	12,994	13,154	13,481	13,581
Net Cost of Services ^(a)	3,176	3,375	4,124	4,272	4,252	4,424	4,524
CASH ASSETS ^(b)	938	638	683	949	725	501	283

(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 SPENDING CHANGES

Details of major decisions impacting on the agency's Income Statement since publication of the 2010-11 Budget to Parliament on 20 May 2010 are outlined below.

	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Burswood Casino Expansion - Problem Gambling Fund	2,000	500	500	500	500
Burswood Casino Expansion - Racecourse Infrastructure Fund.....	5,000	2,000	2,000	2,000	2,000
Implementation of Liquor Control Amendment Bill 2010	403	197	203	209	215
Racing and Wagering Western Australia Tax Incentive.....	1,584	1,647	160	-	-
Revised Gambling Tax Rebates	11,600	12,500	13,070	13,600	15,780

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
Results-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	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
1. Licensing - Evaluation and Determination of Applications	5,767	5,829	6,434	6,549	6,655	6,850	6,901
2. Compliance Audits and Inspections	5,882	5,818	6,332	6,445	6,499	6,631	6,680
Total Cost of Services.....	11,649	11,647	12,766	12,994	13,154	13,481	13,581

Significant Issues Impacting the Agency

- Implementing amendments to the *Liquor Control Act 1988* relating to the approved manager licensing framework and liquor restricted premises. This includes:
 - providing flexibility for approved managers to move between licensed premises without an application to the licensing authority;
 - allowing owners or occupiers of premises, or other prescribed class of persons, to apply to the Director of Liquor Licensing to have their premises declared as liquor restricted premises; and
 - the development and implementation of an online facility for lodging these applications.
- Implementing amendments to the Liquor Control Regulations 1989, exempting from the provisions of the *Liquor Control Act 1988*:
 - the consumption of liquor in Small Charter Vehicles (SCV), whose operators are licensed under the *Transport Co-ordination Act 1966*, and permit BYO, except where liquor is consumed by a juvenile;
 - the consumption of liquor at live entertainment venues; and
 - the sale, supply and consumption of liquor in low-risk occasional events.
- The Auditor General's report, 'Raising the Bar: Implementing key provisions of the *Liquor Control Act 1988* in licensed premises', raised a number of issues with regard to monitoring or enforcing the responsible service of alcohol.
- The main information technology systems and business applications which underpin the licensing and compliance activities of the Department and directly support the delivery of services to the public, have either reached, or are reaching, the end of their lifespan.

- The interventions by the Commissioner of Police and the Executive Director Public Health in response to liquor licensing applications, and the need for the licensing authority to weigh and balance the evidence submitted by interveners, applicants and objectors in determining applications, continues to be a challenge for the licensing authority.
- The continuing interest by regional and remote communities in reducing the level of alcohol-related harm through the assistance of the Director of Liquor Licensing.
- Special leave has been granted to Betfair Pty Ltd and Sportsbet Pty Ltd to appeal the decision of the Full Bench of the Federal Court in relation to the New South Wales' racefields legislation. If the appeal is successful, it could have a significant impact on Western Australia's racefields legislation in the form of a significant reduction in the revenue collected through the racing bets levy scheme, which is disbursed to the Western Australian racing community.
- Review of the Gaming and Wagering Commission's community gaming policy to address the issue of community-based poker tournaments being undertaken for private gain or commercial undertaking.
- The Commonwealth Government, through the COAG Select Council on Gambling Reform, is seeking to minimise the harm caused by problem gambling by establishing a national player pre-commitment scheme for gaming on electronic gaming machines, and the implementation of a \$1 betting limit.
- Under the proposed amendments to the *Prostitution Act 2000*, the Department will be responsible for licensing participants in the prostitution industry.
- The 2011 Skyworks was a resounding success following the implementation of Special Alcohol Zones, an innovative approach involving the Departments of the Premier and Cabinet, Racing, Gaming and Liquor, Western Australia Police and the City of Perth.

Outcomes and Key Effectiveness Indicators ^(a)

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 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.....	97%	95%	95%	95%	

(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.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 5,767	\$'000 5,829	\$'000 6,434	\$'000 6,549	
Less Income.....	4,236	3,835	4,321	4,361	
Net Cost of Service	1,531	1,994	2,113	2,188	
Employees (Full Time Equivalents)	55	56	57	57	
Efficiency Indicators					
Average Cost of Determining Applications	\$485	\$486	\$460	\$468	

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.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 5,882	\$'000 5,818	\$'000 6,332	\$'000 6,445	
Less Income.....	4,237	4,437	4,321	4,361	
Net Cost of Service	1,645	1,381	2,011	2,084	
Employees (Full Time Equivalents)	52	47	50	50	
Efficiency Indicators					
Average Cost of Conducting Inspections	\$453	\$529	\$633	\$645	

ASSET INVESTMENT PROGRAM

The Department's 2011-12 asset investment program is for ongoing computer software and hardware replacement.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COMPLETED WORKS							
Computer Hardware and Software - 2010-11 Program	30	30	30	-	-	-	-
Capital Acquisitions Related to the Liquor Control Amendment Bill	615	615	615	-	-	-	-
NEW WORKS							
Computer Hardware and Software							
2011-12 Program	50	-	-	50	-	-	-
2012-13 Program	150	-	-	-	150	-	-
2013-14 Program	100	-	-	-	-	100	-
2014-15 Program	250	-	-	-	-	-	250
Total Cost of Asset Investment Program.....	1,195	645	645	50	150	100	250
FUNDED BY							
Drawdowns from the Holding Account.....			645	50	150	100	250
Total Funding			645	50	150	100	250

FINANCIAL STATEMENTS

Income Statement

Income

Service appropriations for the 2011-12 Budget Estimate have increased by \$669,000 (18%) compared to the 2010-11 Estimated Actual. This increase is largely a result of the \$500,000 of additional appropriations provided for accommodation expenses incurred in 2010-11 and 2011-12.

INCOME STATEMENT ^(a) (Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	8,733	8,980	9,343	9,706	10,048	10,338	10,420
Supplies and services	1,489	1,370	1,585	1,290	1,303	1,367	1,367
Accommodation	783	678	1,148	1,174	1,174	1,174	1,174
Depreciation and amortisation	142	238	238	238	238	238	238
Other expenses	502	381	452	586	391	364	382
TOTAL COST OF SERVICES	11,649	11,647	12,766	12,994	13,154	13,481	13,581
Income							
Sale of goods and services	4,219	4,435	4,435	4,515	4,695	4,850	4,850
Regulatory fees and fines	4,254	3,830	4,200	4,200	4,200	4,200	4,200
Other revenue	-	7	7	7	7	7	7
Total Income	8,473	8,272	8,642	8,722	8,902	9,057	9,057
NET COST OF SERVICES	3,176	3,375	4,124	4,272	4,252	4,424	4,524
INCOME FROM STATE GOVERNMENT							
Service appropriations	3,177	3,211	3,689	4,358	3,838	4,010	4,110
Resources received free of charge	159	164	164	164	164	164	164
TOTAL INCOME FROM STATE GOVERNMENT	3,336	3,375	3,853	4,522	4,002	4,174	4,274
SURPLUS/(DEFICIENCY) FOR THE PERIOD	160	-	(271)	250	(250)	(250)	(250)
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	160	-	(271)	250	(250)	(250)	(250)

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

(b) The Full Time Equivalents (FTEs) for 2009-10 Actual, 2010-11 Estimated Actual and 2011-12 Estimates are 107, 107 and 107 respectively. In some cases the figures for 2009-10 and 2010-11 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	846	530	575	825	575	325	75
Restricted cash.....	12	12	12	12	12	12	12
Holding account receivables.....	30	50	50	150	100	250	150
Receivables	151	141	151	151	151	151	151
Other.....	-	422	-	-	-	-	-
Total current assets.....	1,039	1,155	788	1,138	838	738	388
NON-CURRENT ASSETS							
Holding account receivables.....	2,123	2,311	1,696	1,784	1,922	1,910	1,998
Property, plant and equipment.....	294	222	234	174	164	164	259
Intangibles	1,842	918	2,309	2,181	2,103	1,965	1,882
Restricted cash.....	80	96	96	112	138	164	196
Total non-current assets	4,339	3,547	4,335	4,251	4,327	4,203	4,335
TOTAL ASSETS.....	5,378	4,702	5,123	5,389	5,165	4,941	4,723
CURRENT LIABILITIES							
Employee provisions	768	665	784	784	784	784	796
Payables.....	415	147	415	415	425	435	435
Other.....	175	272	175	175	175	175	175
Total current liabilities	1,358	1,084	1,374	1,374	1,384	1,394	1,406
NON-CURRENT LIABILITIES							
Employee provisions	831	611	831	847	863	879	899
Other.....	174	152	174	174	174	174	174
Total non-current liabilities	1,005	763	1,005	1,021	1,037	1,053	1,073
TOTAL LIABILITIES	2,363	1,847	2,379	2,395	2,421	2,447	2,479
EQUITY							
Contributed equity.....	454	454	454	454	454	454	454
Accumulated surplus/(deficit)	2,561	2,401	2,290	2,540	2,290	2,040	1,790
Total equity.....	3,015	2,855	2,744	2,994	2,744	2,494	2,244
TOTAL LIABILITIES AND EQUITY	5,378	4,702	5,123	5,389	5,165	4,941	4,723

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	2,857	2,973	3,451	4,120	3,600	3,772	3,872
Holding account drawdowns	80	30	645	50	150	100	250
Net cash provided by State Government.....	2,937	3,003	4,096	4,170	3,750	3,872	4,122
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(8,444)	(8,949)	(9,312)	(9,585)	(9,911)	(10,201)	(10,277)
Supplies and services.....	(1,238)	(1,294)	(1,509)	(1,261)	(1,287)	(1,311)	(1,311)
Accommodation	(774)	(678)	(1,148)	(1,164)	(1,164)	(1,164)	(1,164)
Other payments	(3,999)	(488)	(559)	(746)	(544)	(557)	(575)
Receipts							
Regulatory fees and fines	4,728	3,830	4,200	4,200	4,200	4,200	4,200
Sale of goods and services.....	4,211	4,435	4,435	4,515	4,695	4,850	4,850
GST receipts.....	3,592	180	180	180	180	180	180
Other receipts	1,253	7	7	7	7	7	7
Net cash from operating activities.....	(1,924)	(2,957)	(3,706)	(3,854)	(3,824)	(3,996)	(4,090)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(665)	(30)	(645)	(50)	(150)	(100)	(250)
Other payments	(16)	-	-	-	-	-	-
Net cash from investing activities.....	(681)	(30)	(645)	(50)	(150)	(100)	(250)
NET INCREASE/(DECREASE) IN CASH HELD	332	16	(255)	266	(224)	(224)	(218)
Cash assets at the beginning of the reporting period	606	622	938	683	949	725	501
Cash assets at the end of the reporting period	938	638	683	949	725	501	283

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

DETAILS OF ADMINISTERED TRANSACTIONS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
INCOME							
Taxation							
Casino Tax	92,187	92,000	112,000	115,000	117,000	120,000	122,000
Other							
Appropriation	83,731	87,491	107,675	107,277	108,900	111,980	114,160
TOTAL INCOME	175,918	179,491	219,675	222,277	225,900	231,980	236,160
EXPENSES							
Grants to Charitable and Other Public Bodies							
Grants Paid out of Problem Gambling Fund	-	-	2,000	500	500	500	500
Statutory Authorities							
Grants to Racing and Wagering Western Australia	1,662	2,441	9,025	7,277	6,370	6,860	6,860
Subsidies and Concessions							
Subsidies to Liquor Merchants and Producers	2,755	5,000	5,000	5,000	5,000	5,000	5,000
Subsidies to Gambling and Betting Agencies and Bookmakers	76,873	80,050	91,650	94,500	97,030	99,620	101,800
Other							
Receipts Paid into Consolidated Account	89,338	92,000	112,000	115,000	117,000	120,000	122,000
TOTAL EXPENSES	170,628	179,491	219,675	222,277	225,900	231,980	236,160

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:

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
GST Input Credits	3,581	155	155	155	155	155	155
GST Receipts On Sales	11	25	25	25	25	25	25
Liquor Fees Receipts	4,728	3,830	4,200	4,200	4,200	4,200	4,200
Other Receipts	174	7	7	7	7	7	7
Provision of Services to the Commonwealth in Respect of Indian Ocean Territories	88	81	81	81	81	81	81
Provision of Services to the Racing and Gaming Industries	3,949	4,354	4,354	4,434	4,614	4,769	4,769
TOTAL	12,065	8,452	8,822	8,902	9,082	9,237	9,237

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

RACING AND WAGERING WESTERN AUSTRALIA

ASSET INVESTMENT PROGRAM

Asset investment over the forward estimates period focuses on the upgrading of selected outlets in the retail wagering network, and the ongoing replacement of hardware and software for various production systems together with general business process improvements.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
Business Systems - Information Technology	12,513	6,083	558	1,225	1,881	455	869
Computer Software - Windows Upgrade Phase 3	1,161	472	-	-	310	379	-
Enterprise Management Services	1,050	400	400	-	-	650	-
Head Office and Retail Outlet Building Improvements.....	2,600	550	500	500	500	500	500
Minor Works	386	178	178	-	-	-	208
Mobile Phone Betting Application	716	300	300	-	-	-	416
New Era Bet Engine	31,243	28,943	-	-	2,300	-	-
Retail Outlet Upgrades	29,354	4,806	4,134	5,269	4,883	6,008	7,138
Security Checking Software for Application Development....	180	75	75	49	-	-	56
Security Information and Event Management	741	356	356	-	385	-	-
Terminal Replacement Program	17,687	12,038	-	-	-	2,769	2,880
COMPLETED WORKS							
Customisation of Service Desk	130	130	130	-	-	-	-
Fixed Odds Betting Rewrite	341	341	341	-	-	-	-
Interactive TV	42	42	42	-	-	-	-
PABX Replacement	600	600	600	-	-	-	-
Telebetting Application Upgrade	768	768	768	-	-	-	-
NEW WORKS							
Automatic Tape Library Replacement.....	102	-	-	-	102	-	-
File and E-mail Archiving Facility.....	154	-	-	154	-	-	-
Financial Management System Upgrade	526	-	-	-	526	-	-
New Customer Information Terminals.....	1,827	-	-	-	-	-	1,827
Registration and Payment System	250	-	-	250	-	-	-
Reporting Toolset	180	-	-	-	-	180	-
Strategic Forecasting Model	283	-	-	-	-	283	-
TabOzbet Strategic Review	1,684	-	-	-	1,684	-	-
Testing Services	300	-	-	-	-	300	-
Website Enhancements.....	1,388	-	-	-	-	-	1,388
Total Cost of Asset Investment Program.....	106,206	56,082	8,382	7,447	12,571	11,524	15,282
FUNDED BY							
Internal Funds and Balances.....			8,382	7,447	12,571	11,524	15,282
Total Funding			8,382	7,447	12,571	11,524	15,282

WESTERN AUSTRALIAN GREYHOUND RACING AUTHORITY

ASSET INVESTMENT PROGRAM

The 2011-12 program totals \$641,000, comprising \$520,000 towards 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 remaining \$121,000 is for the annual Information Technology (IT) Program.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COMPLETED WORKS							
IT - 2010-11 Program.....	50	50	50	-	-	-	-
Minor Works - Cannington - 2010-11 Program	40	40	40	-	-	-	-
Minor Works - Mandurah - 2010-11 Program	25	25	25	-	-	-	-
Plant and Equipment - Cannington - 2010-11 Program.....	50	50	50	-	-	-	-
Plant and Equipment - Mandurah - 2010-11 Program.....	50	50	50	-	-	-	-
NEW WORKS							
IT							
2011-12 Program.....	121	-	-	121	-	-	-
2014-15 Program.....	20	-	-	-	-	-	20
Minor Works - Cannington - 2011-12 Program	40	-	-	40	-	-	-
Minor Works - Mandurah - 2011-12 Program	230	-	-	230	-	-	-
New Cannington Facility	350	-	-	-	350	-	-
Plant and Equipment - Cannington							
2011-12 Program.....	50	-	-	50	-	-	-
2012-13 Program.....	120	-	-	-	120	-	-
2014-15 Program.....	30	-	-	-	-	-	30
2014-15 Program.....	50	-	-	-	-	-	50
Plant and Equipment - Mandurah							
2011-12 Program.....	200	-	-	200	-	-	-
2012-13 Program.....	127	-	-	-	127	-	-
Total Cost of Asset Investment Program.....	1,553	215	215	641	597	-	100
FUNDED BY							
Internal Funds and Balances.....			215	641	597	-	100
Total Funding			215	641	597	-	100

BURSWOOD PARK BOARD

ASSET INVESTMENT PROGRAM

The Board is responsible for the control and management of Burswood Park under 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 upgrades and golf course/park infrastructure upgrades to provide maximum visitor enjoyment and satisfaction.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COMPLETED WORKS							
Equipment - 2010-11 Program	300	300	300	-	-	-	-
Golf Course and Park Infrastructure - 2010-11 Program.....	380	380	380	-	-	-	-
Minor Equipment Purchases - 2010-11 Program	63	63	63	-	-	-	-
NEW WORKS							
Equipment							
2011-12 Program	300	-	-	300	-	-	-
2012-13 Program	310	-	-	-	310	-	-
2013-14 Program	690	-	-	-	-	690	-
2014-15 Program	350	-	-	-	-	-	350
Golf Course and Park Infrastructure							
2011-12 Program	380	-	-	380	-	-	-
2012-13 Program	380	-	-	-	380	-	-
2013-14 Program	400	-	-	-	-	400	-
2014-15 Program	1,200	-	-	-	-	-	1,200
Minor Equipment Purchases							
2011-12 Program	63	-	-	63	-	-	-
2012-13 Program	68	-	-	-	68	-	-
2013-14 Program	10	-	-	-	-	10	-
2014-15 Program	52	-	-	-	-	-	52
Total Cost of Asset Investment Program.....	4,946	743	743	743	758	1,100	1,602
FUNDED BY							
Internal Funds and Balances.....			743	743	758	1,100	1,602
Total Funding			743	743	758	1,100	1,602

Part 11

Minister for Planning; Culture and the Arts; Science and Innovation

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2010-11 Budget \$' 000	2010-11 Estimated Actual \$' 000	2011-12 Budget Estimate \$' 000
553	Planning			
	- Delivery of Services.....	39,424	39,427	40,757
	- Capital Appropriation.....	11,661	10,112	6,874
	Total	51,085	49,539	47,631
570	Western Australian Planning Commission			
	- Delivery of Services.....	82,162	80,562	98,303
	- Capital Appropriation.....	5,400	5,400	53,821
	Total	87,562	85,962	152,124
579	Culture and the Arts			
	- Delivery of Services.....	118,692	124,279	132,266
	- Capital Appropriation.....	26,166	23,502	21,230
	Total	144,858	147,781	153,496
593	Chemistry Centre (WA)			
	- Delivery of Services.....	9,511	9,402	8,583
	- Capital Appropriation.....	195	195	195
	Total	9,706	9,597	8,778
GRAND TOTAL				
	- Delivery of Services.....	249,789	253,670	279,909
	- Capital Appropriation.....	43,422	39,209	82,120
	Total.....	293,211	292,879	362,029

PLANNING

PART 11 - MINISTER FOR PLANNING; CULTURE AND THE ARTS; SCIENCE AND INNOVATION

DIVISION 48

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2009-10 Actual ^(a) \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 75 Net amount appropriated to deliver services	41,592	38,997	38,997	40,315	39,681	40,799	41,649
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975.....	409	427	430	442	456	469	483
Total appropriations provided to deliver services	42,001	39,424	39,427	40,757	40,137	41,268	42,132
ADMINISTERED TRANSACTIONS							
Administered Grants, Subsidies and Other							
Transfer Payments	-	-	-	-	-	-	72,639
CAPITAL							
Item 142 Capital Appropriation.....	5,341	11,661	10,112	6,874	5,772	6,790	7,340
TOTAL APPROPRIATIONS	47,342	51,085	49,539	47,631	45,909	48,058	122,111
EXPENSES							
Total Cost of Services	74,466	71,077	69,521	70,499	70,563	74,200	67,167
Net Cost of Services ^(b)	48,685	47,107	42,922	47,798	47,931	51,057	44,125
CASH ASSETS ^(c)	8,393	5,915	9,099	6,578	6,797	7,016	7,235

- (a) Corporate Services function was transferred to the Department of Transport in 2010-11. 2009-10 Actual, 2010-11 Budget and 2010-11 Estimated Actual financial data has been backcast for comparability purposes.
- (b) 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.
- (c) As at 30 June each financial year.

MAJOR SPENDING CHANGES

Details of major decisions impacting on the agency's Income Statement since publication of the 2010-11 Budget to Parliament on 20 May 2010 are outlined below.

	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Civil Service Association General Agreement	-	369	685	935	966
Development Assessment Panels	-	716	716	716	716
Metropolitan Redevelopment Authority	330	380	-	-	-
Pilbara Cities Office	2,629	134	138	143	148
Rockingham Kwinana Development Office	-	200	200	-	-
Royalties for Regions - Northern Towns Development Fund	(7,318)	(4,458)	(2,620)	(2,141)	(1,863)
Service Level Agreement for Corporate Services with Department of					
Regional Development and Lands	(2,921)	(2,921)	(2,921)	(2,921)	(2,921)
Service Level Agreement for Corporate Services with Department of					
Transport	(30,869)	(31,766)	(31,766)	(31,766)	(31,766)
Voluntary Separation Agreements	(1,297)	(1,297)	(1,297)	(1,297)	(1,297)

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
Results-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	Integration of land systems that facilitate economic development.	1. Integrated Land and Infrastructure Policy Development
	Accessibility to serviced land and infrastructure.	2. Land Accessibility Planning and Policy Development

Service Summary

Expense	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
1. Integrated Land and Infrastructure Policy Development.....	34,485	35,247	24,261	27,688	27,713	29,142	26,379
2. Land Accessibility Planning and Policy Development.....	39,981	35,830	45,260	42,811	42,850	45,058	40,788
Total Cost of Services.....	74,466	71,077	69,521	70,499	70,563	74,200	67,167

Significant Issues Impacting the Agency

- National level reforms and initiatives necessitate a continual process of improvement and realignment of the planning framework to address emerging issues such as: housing energy-efficiency standards, affordable housing, taxation changes, planning and development assessment, and environmental legislation.
- As a high-growth state, Western Australia has an interest in accurately assessing the future demand and supply of housing and will continue to make representation to the National Housing Supply Council on these issues.
- The State Planning Strategy is currently the subject of a thorough review and is being restructured and repositioned to address the emerging and key issues facing planning and development in the State.
- Increasing focus on regional planning to identify regional infrastructure requirements to facilitate economic growth and development in the Kimberley, Pilbara, Mid West, Gascoyne, Wheatbelt and Great Southern regions.
- Increasing requirement for the Department to lead major infrastructure projects such as the Oakajee Narngulu Infrastructure Corridor and the Perth Waterfront.
- Western Australia continues to experience strong population growth as the nation's fastest growing state. Key actions such as housing demand forecasts, identification of infrastructure required to deliver housing targets, guidelines for the preparation of sub-regional structure plans, policy statements on infill and greenfield targets, and a long-term spatial plan for central metropolitan Perth are key issues for the long-term planning of the State. These strategies are intended to guide growth beyond 2031.

- Administration of the operation of Development Assessment Panels that will improve the development planning system and maintain planning outcomes.

Outcomes and Key Effectiveness Indicators ^(a)

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Outcome: Integration of land systems that facilitates economic development:					
Proportion of zoned land in the metropolitan area that is 400 metres/1 km from major transport systems:					
- Less than R20 : 400 metres	40.82%	41%	41%	41%	
- Less than R20 : 1 km.....	79.30%	79%	79%	79%	
- R20 : 400 metres	59.88%	59%	60%	59%	
- R20 : 1 km.....	95.30%	94%	95%	94%	
- Greater than R20 : 400 metres.....	61.19%	62%	61%	62%	
- Greater than R20 : 1 km.....	96.0%	97%	96%	97%	
Area of commercial and industrial land per capita per corridor:					
- Eastern Sector - Commercial per capita	9.7m2	12.4m2	9.7m2	12.4m2	
- Eastern Sector - Industrial per capita.....	76.5m2	82.1m2	76.5m2	82.1m2	
- Inner Sector - Commercial per capita.....	32.4m2	33.1m2	32.4m2	33.1m2	
- Inner Sector - Industrial per capita	12.7m2	14.9m2	12.7m2	14.9m2	
- Middle Sector - Commercial per capita.....	20.6m2	22.1m2	20.6m2	22.1m2	
- Middle Sector - Industrial per capita	57.1m2	61.7m2	57.1m2	61.7m2	
- North West Sector - Commercial per capita.....	36.5m2	45.5m2	36.5m2	45.5m2	
- North West Sector - Industrial per capita	60.2m2	68.0m2	60.2m2	68.0m2	
- Perth Metropolitan Region - Commercial per capita.....	23.5m2	26.5m2	23.5m2	26.5m2	
- Perth Metropolitan Region - Industrial per capita	67.2m2	74.1m2	67.2m2	74.1m2	
- South East Sector - Commercial per capita	12.8m2	15.0m2	12.8m2	15.0m2	
- South East Sector - Industrial per capita	57.4m2	63.8m2	57.4m2	63.8m2	
- South West Sector - Commercial per capita.....	22.7m2	25.5m2	22.7m2	25.5m2	
- South West Sector - Industrial per capita	164.0m2	185.0m2	164.0m2	185.0m2	
People in the Metropolitan Region that live within ten minutes of a major public transport route:					
- within a 10 minute walk to a bus stop	89.2%	91%	89.2%	91%	
- within a 10 minute ride to a railway station	36.4%	34%	36.4%	36%	
- within a 10 minute car travel to a railway station.....	80.1%	70%	80.1%	80%	
Outcome: Accessibility to serviced land and infrastructure:					
Number of lots given preliminary and final approval:					
- residential	35,223	47,000	41,684	47,000	
- non-residential.....	6,852	9,500	6,408	9,500	
Median land price as a percentage of median residential property sales price	55%	56%	58%	56%	
Relative affordability of property and land prices	Third highest quintile	Third highest quintile	Fourth quintile	Third highest quintile	
Average lot size in the Perth Metropolitan Region.....	454m ²	500m ²	443m ²	500m ²	
Avoided land consumption costs.....	\$92 million	\$110 million	\$105 million	\$110 million	
Determination appeals that are unsuccessful	99.6%	99%	99%	100%	

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

Services and Key Efficiency Indicators

1: Integrated Land and Infrastructure Policy Development

By shaping the pattern of development and influencing the location, scale, density, design and mix of land uses, integrated land use systems contribute to the Government's goal, 'Results-Based Service Delivery', by:

- ensuring flexibility to meet the demands of a changing economy and market environments; and
- maximising the use of existing infrastructure rather than incurring the costs of green fields infrastructure with its resulting impact on home affordability.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 34,485	\$'000 35,247	\$'000 24,261	\$'000 27,688	1
Less Income.....	5,971	4,612	6,645	4,126	
Net Cost of Service	28,514	30,635	17,616	23,562	
Employees (Full Time Equivalents)	232	230	171	183	
Efficiency Indicators					
Average Cost per Policy Hour for Integrated Land Policy Development.....	\$78.64	\$81.85	\$83.17	\$84.04	

(a) More details of effectiveness indicators are provided in the Annual Report.

Explanation of Significant Movements

(Notes)

1. The movement between the 2010-11 Budget and 2010-11 Estimated Actual is primarily due to the transfer of \$4.7 million in project expenditure under the Northern Towns Development Fund to the Department of Regional Development and Lands, and the result of a realignment of statutory and strategic planning functions.

The increase between the 2010-11 Estimated Actual and the 2011-12 Target is primarily due to an increase in grants and subsidies for the Northern Towns Development Fund (\$6.7 million) offset by the completion of the Maddington Kenwick Sustainability Project (\$1.5 million).

2: Land Accessibility Planning and Policy Development

This service contributes to the Government's goal 'Results-Based Service Delivery' through:

- ensuring that sufficient land is available for purchase for both residential and commercial, industrial/employment purposes;
- controlling lot sizes and therefore the costs of infrastructure required to service each lot;
- minimising land supply delays and the attendant costs by making accurate, timely decisions on redevelopment and subdivision proposals; and
- providing resources to the Western Australian Planning Commission to enable:
 - the acquisition and management of properties reserved under Perth's Metropolitan Region Scheme for important urban roads, controlled access highways, parks and recreational reserves, special uses and major land redevelopment projects; and
 - other special planning projects undertaken within the Perth metropolitan area.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 39,981	\$'000 35,830	\$'000 45,260	\$'000 42,811	1
Less Income.....	19,810	19,358	19,954	18,575	
Net Cost of Service	20,171	16,472	25,306	24,236	
Employees (Full Time Equivalents)	270	335	394	385	
Efficiency Indicators					
Cost Per Subdivision and Development Application Processed.....	\$4,623	\$3,637	\$5,572	\$4,922	2
Average Cost per Policy and Planning Hour.....	\$84.23	\$74.86	\$75.47	\$82.07	
Statutory Planning Applications Processed within Statutory Timeframes	67%	80%	79%	80%	
Town Planning Scheme Amendments (for Final Approval) Processed within Non-Statutory Timeframes	52%	80%	50%	55%	
Deposited and Strata Plans Endorsed Within Non-Statutory Timeframes.....	99%	90%	99%	100%	

(a) More details of effectiveness indicators are provided in the Annual Report.

Explanation of Significant Movements

(Notes)

1. The increase between 2010-11 Budget and 2010-11 Estimated Actual is primarily due to expenditure carried forward for the Mandurah Central Revitalisation Strategy (MCRS) (\$1.4 million) and the result of a realignment of statutory and strategic planning functions.
2. The reduction between 2010-11 Budget and 2010-11 Estimated Actual reflects the performance in line with prior year trends. The 2011-12 Budget Target has been revised in line with those trends to a more realistic target.

ASSET INVESTMENT PROGRAM

The Department's planned asset investment for 2011-12 is \$47.6 million comprising the following major projects:

- Perry Lakes Redevelopment Project**
 The Perry Lakes Redevelopment Project covers the development of the existing Perry Lakes site for housing, and the construction of new facilities for basketball, athletics and rugby on the site referred to as AK Reserve. The athletics stadium was completed in May 2009 and the basketball facilities in January 2010. Rugby is due for completion in May/June 2011. The housing development is progressing with Stage One released in December 2010.
- Information and Communications and Technology Infrastructure**
 This ongoing funding is provided to cover requirements relating to electronic support and upgrade of storage, networks, servers and monitoring tools. It also covers a number of related projects, such as capacity management, data archiving, business continuity and disaster recovery planning.
- GIS Directions will upgrade the legacy system to provide new business tools and a modern web map environment for geographic information.**

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
Corporate							
Accommodation Refurbishment and Sustainability Initiatives	5,677	2,395	100	650	254	211	213
Information and Communications Technology Infrastructure	88,963	15,142	6,449	5,240	5,168	6,079	6,031
Other							
Minor Works Program.....	19,043	10,907	269	1,172	350	500	1,096
Perry Lakes Redevelopment Project.....	162,528	122,280	16,882	38,393	1,135	720	-
Strategic and Statutory Planning - GIS Directions	2,432	252	216	2,180	-	-	-
COMPLETED WORKS							
Strategic and Statutory Planning							
Electronic Land Development Program (eLDP).....	3,946	3,946	1,975	-	-	-	-
Total Cost of Asset Investment Program.....	282,589	154,922	25,891	47,635	6,907	7,510	7,340
FUNDED BY							
Capital Appropriation.....			10,112	6,874	5,772	6,790	7,340
Internal Funds and Balances.....			1,265	2,368	-	-	-
Other			14,514	38,393	1,135	720	-
Total Funding			25,891	47,635	6,907	7,510	7,340

FINANCIAL STATEMENTS**Income Statement***Expenses*

The movement in expenditure between 2010-11 Estimated Actual and 2011-12 Budget is due to changes in the programs within the Northern Towns Develop Fund (Royalties for Regions) (\$6.7 million), offset by the completion of the Maddington Kenwick Sustainability project (\$1.5 million), completion of the Electronic Development Assessment Inter-operability Standard project (\$1.8 million), and the first year expenditure on the Pilbara Cities Office project (\$2.6 million).

Income

The reduction in revenue between the 2010-11 Estimated Actual and 2011-12 Budget is due to the first year funding for the Pilbara Cities Office (\$2.6 million) in 2010-11, the completion of the Commonwealth funded project for the Electronic Development Assessment Inter-operability Standard (\$1.1 million), offset by the introduction of Development Assessment Panels (\$0.7 million).

Statement of Financial Position

The change in equity in the 2011-12 Budget is due to the asset investment program (\$9.2 million), an increase in the holding account receivables for depreciation of non-current assets (\$2.0 million) and an increase in long service leave entitlements (\$3.1 million).

Statement of Cashflows

The decrease in the net cash held in the 2011-12 Budget is mainly due to the deferral of the asset investment expenditure (\$2.4 million, including GIS Directions \$2.2 million) and recurrent expenditure for the MCRS (\$0.8 million) from 2009-10 that are funded from cash at bank.

INCOME STATEMENT ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	52,042	48,419	48,778	45,867	47,578	49,127	50,043
Grants and subsidies ^(c)	5,075	9,733	3,827	8,625	6,840	8,354	200
Supplies and services	4,330	5,121	8,490	5,543	5,827	6,310	6,282
Accommodation	6,818	5,479	5,479	4,000	4,077	4,158	4,215
Depreciation and amortisation	2,491	1,308	1,919	2,029	2,396	2,396	2,396
Other expenses	3,710	1,017	1,028	4,435	3,845	3,855	4,031
TOTAL COST OF SERVICES	74,466	71,077	69,521	70,499	70,563	74,200	67,167
Income							
Sale of goods and services	22	-	-	716	716	716	716
Grants and subsidies	3,049	2,824	5,453	1,810	1,814	1,819	1,824
Other revenue	22,710	21,146	21,146	20,175	20,102	20,608	20,502
Total Income	25,781	23,970	26,599	22,701	22,632	23,143	23,042
NET COST OF SERVICES	48,685	47,107	42,922	47,798	47,931	51,057	44,125
INCOME FROM STATE GOVERNMENT							
Service appropriations	42,001	39,424	39,427	40,757	40,137	41,268	42,132
Resources received free of charge	456	1,442	1,442	1,523	1,607	1,694	1,694
Royalties for regions fund ^(d)	-	7,498	180	6,886	6,380	8,154	-
TOTAL INCOME FROM STATE GOVERNMENT	42,457	48,364	41,049	49,166	48,124	51,116	43,826
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(6,228)	1,257	(1,873)	1,368	193	59	(299)
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	(6,228)	1,257	(1,873)	1,368	193	59	(299)

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

(b) The Full Time Equivalents (FTEs) for 2009-10 Actual, 2010-11 Estimated Actual and 2011-12 Estimates are 502, 565 and 568 respectively. In some cases the figures for 2009-10 and 2010-11 may differ from previously published figures due to changes in calculation methodology.

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

(d) Regional Infrastructure and Headworks Fund - \$0 (2009-10), \$7.5 million (2010-11), \$0.2 million (2010-11 Estimated Out Turn), \$6.9 million (2011-12), \$6.4 million (2012-13), \$8.2 million (2013-14), \$0 (2014-15).

Details of Controlled Grants and Subsidies

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Koondoola Revitalisation Strategy	631	-	-	-	-	-	-
Maddington Kenwick Sustainability Strategy	949	1,470	1,470	-	-	-	-
Mandurah Central Revitalisation Strategy	-	500	1,912	1,279	-	-	-
Mirraboopa Shopping Centre	2,600	-	-	-	-	-	-
Northern Towns Development Fund	-	7,498	180	6,886	6,380	8,154	-
Other	180	60	60	60	60	-	-
Rockingham Kwinana Development Office	-	-	-	200	200	-	-
Urban Congestion Planning Study	374	-	-	-	-	-	-
Urban Design Projects	205	205	205	200	200	200	200
Wanneroo Revitalisation Strategy	136	-	-	-	-	-	-
TOTAL	5,075	9,733	3,827	8,625	6,840	8,354	200

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	7,474	4,758	7,965	4,863	5,101	5,320	5,539
Receivables	2,779	1,845	2,779	2,779	2,779	2,779	2,779
Other.....	94	778	94	94	94	94	94
Total current assets.....	10,347	7,381	10,838	7,736	7,974	8,193	8,412
NON-CURRENT ASSETS							
Holding account receivables.....	21,572	23,261	23,793	28,806	32,845	36,884	40,923
Property, plant and equipment.....	6,189	11,697	6,984	13,116	14,770	21,140	28,189
Intangibles	3,808	47	3,378	2,948	2,518	2,078	1,638
Restricted cash.....	919	1,156	1,134	1,715	1,696	1,696	1,696
Other.....	-	8,942	6,725	8,236	10,388	8,852	7,187
Total non-current assets	32,488	45,103	42,014	54,821	62,217	70,650	79,633
TOTAL ASSETS.....	42,835	52,484	52,852	62,557	70,191	78,843	88,045
CURRENT LIABILITIES							
Employee provisions	11,778	10,627	11,778	11,778	11,778	11,778	11,778
Payables.....	1,337	3,618	1,337	1,337	1,337	1,337	1,337
Other.....	1,727	1,197	2,174	1,995	2,022	2,182	2,700
Total current liabilities	14,842	15,442	15,289	15,110	15,137	15,297	15,815
NON-CURRENT LIABILITIES							
Employee provisions	4,051	4,064	5,694	7,337	8,980	10,623	12,266
Other.....	65	119	65	65	65	65	65
Total non-current liabilities	4,116	4,183	5,759	7,402	9,045	10,688	12,331
TOTAL LIABILITIES	18,958	19,625	21,048	22,512	24,182	25,985	28,146
EQUITY							
Contributed equity.....	5,341	11,661	15,141	22,014	27,785	34,575	41,915
Accumulated surplus/(deficit)	18,536	21,198	16,663	18,031	18,224	18,283	17,984
Total equity.....	23,877	32,859	31,804	40,045	46,009	52,858	59,899
TOTAL LIABILITIES AND EQUITY	42,835	52,484	52,852	62,557	70,191	78,843	88,045

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	41,636	38,500	36,995	35,744	36,098	37,229	38,093
Capital appropriation	5,341	11,661	10,112	6,874	5,772	6,790	7,340
Royalties for regions fund ^(b)	-	7,498	180	6,886	6,380	8,154	-
Net cash provided by State Government	46,977	57,659	47,287	49,504	48,250	52,173	45,433
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(50,669)	(48,041)	(47,018)	(44,073)	(45,908)	(47,324)	(47,882)
Grants and subsidies	(5,864)	(9,733)	(3,827)	(8,625)	(6,840)	(8,354)	(200)
Supplies and services	(5,048)	(3,456)	(6,180)	(3,152)	(3,352)	(3,653)	(3,625)
Accommodation	(6,744)	(5,290)	(5,290)	(3,811)	(3,888)	(3,969)	(4,215)
Other payments	(7,733)	(14,267)	(7,990)	(11,137)	(9,738)	(10,086)	(9,334)
Receipts							
Grants and subsidies	3,041	2,824	5,453	1,810	1,814	1,819	1,824
Sale of goods and services	18	-	-	-	-	-	-
GST receipts	6,494	12,192	5,904	5,644	4,835	5,079	4,340
Other receipts	21,506	21,146	21,146	20,891	20,818	21,324	21,218
Net cash from operating activities	(44,999)	(44,625)	(37,802)	(42,453)	(42,259)	(45,164)	(37,874)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(3,836)	(11,661)	(9,009)	(9,242)	(5,772)	(6,790)	(7,340)
Net cash from investing activities	(3,836)	(11,661)	(9,009)	(9,242)	(5,772)	(6,790)	(7,340)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings	-	-	-	(710)	-	-	-
Proceeds from borrowings	-	-	330	380	-	-	-
Net cash from financing activities	-	-	330	(330)	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	(1,858)	1,373	806	(2,521)	219	219	219
Cash assets at the beginning of the reporting period	10,251	4,542	8,393	9,099	6,578	6,797	7,016
Net cash transferred to/from other agencies	-	-	(100)	-	-	-	-
Cash assets at the end of the reporting period	8,393	5,915	9,099	6,578	6,797	7,016	7,235

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

(b) Regional Infrastructure and Headworks Fund - \$0 (2009-10), \$7.5 million (2010-11), \$0.2 million (2010-11 Estimated Out Turn), \$6.9 million (2011-12), \$6.4 million (2012-13), \$8.2 million (2013-14), \$0 (2014-15).

DETAILS OF ADMINISTERED TRANSACTIONS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
INCOME							
Other							
Appropriations	-	-	-	-	-	-	72,639
Profit on Disposal of Land	-	74,783	2,764	8,686	6,258	11,474	1,163
Sport and Recreation Athletics Facilities	-	-	799	-	-	-	-
Other Revenue.....	394	54	-	1	1	-	-
TOTAL INCOME	394	74,837	3,563	8,687	6,259	11,474	73,802
EXPENSES							
Grants To Charitable And Other Public Bodies							
Town of Cambridge	-	-	-	-	-	-	50,000
Other							
Advertising/selling costs	436	1,803	259	408	367	666	66
Building Maintenance	5,310	-	58	-	-	-	-
Interest Expense	3,605	2,259	5,439	5,964	4,655	2,042	-
Other Expenses	1,819	50	3,592	-	-	-	-
TOTAL EXPENSES	11,170	4,112	9,348	6,372	5,022	2,708	50,066

AGENCY SPECIAL PURPOSE ACCOUNT DETAILS**Perry Lakes Special Purpose Account**

The Perry Lakes Special Purpose Account was established under Section 41 of the *Perry Lakes Redevelopment Act 2005* and constituted under Section 16 of the *Financial Management Act 2006*. The purpose of this account is to fund the redevelopment of Perry Lakes for housing and the development of sporting facilities for athletics, basketball and rugby on the AK Reserve land.

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000
Opening Balance	2,156	2,156	3	-
Receipts:				
Appropriations	-	-	-	-
Other	18,091	142,921	19,461	57,292
	20,247	145,077	19,464	57,292
Payments	20,244	121,662	19,464	57,132
CLOSING BALANCE.....	3	23,415	-	160

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:

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Development Assessment Panels	-	-	-	716	716	716	716
GST Input Credits	2,179	2,844	4,140	4,078	3,339	3,592	2,852
GST Receipts on Sales	4,315	9,348	1,764	1,566	1,496	1,487	1,488
National Coordinator of eDAIS Implementation Program	1,346	1,148	1,148	-	-	-	-
Oakajee Infrastructure Corridor Project	1,441	-	-	-	-	-	-
Other	3,599	2,638	1,595	2,474	1,767	1,670	1,670
Pilbara Cities Office	-	-	2,629	134	138	143	148
Services Provided to the Commonwealth in Respect of Indian Ocean Territories	87	81	81	81	81	81	81
Services Provided to the Western Australia Planning Commission	18,092	20,103	21,146	19,296	19,930	20,533	20,427
TOTAL	31,059	36,162	32,503	28,345	27,467	28,222	27,382

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

ARMADALE REDEVELOPMENT AUTHORITY

ASSET INVESTMENT PROGRAM

The Authority has responsibility under the *Armadale Redevelopment Act 2001* for planning the urban renewal of Armadale and implementing various key projects (including privately funded developer contribution schemes) within the Authority's redevelopment area. The asset investment program for 2011-12 is budgeted at \$26.6 million, with expenditure on the following key projects:

- \$10.0 million for the Forrestdale Business Park for the continued provision of core infrastructure to facilitate private development. The Authority has partnered with the Western Australian Land Authority to pre-fund and administer a developer contribution scheme for development of the general industry park. The developer contribution scheme is the primary source of funding for this project;
- \$10.0 million for the Wungong Urban Water project for the commencement of drainage, river restoration and civil works. This project is primarily funded through a developer contribution scheme and also receives support through an equity contribution from the State and the Commonwealth Government's Water Smart Australia initiative;
- \$1.6 million for the Champion Lakes project, which includes continuation of the construction program to create infrastructure surrounding the lake, completion of the Aboriginal Interpretive Centre and the ongoing development of the land adjacent to the lake for commercial opportunities;
- \$1.5 million for the implementation of the Armadale Redevelopment Scheme. This will assist Armadale to achieve its status as a strategic regional centre;
- \$1.0 million for Champion Drive, Seville Grove, a residential redevelopment precinct. A developer contribution scheme is administered to support this project;
- \$1.0 million for the City West project for the development of land to provide inner city housing and service and retail activities within close proximity of the rail line and city centre. This project is funded predominantly by a developer contribution scheme;
- \$1.0 million for Forrestdale Business Park West. This project will address the current high demand for industrial land in the South East sector. The site has a number of private and government landholdings and current works involve comprehensive structure planning for the area. This project will be funded through a future developer contribution scheme; and
- \$0.5 million for improvements to civil amenities in Kelmscott, including the completion of the Gilwell Avenue extension which relies on concurrent private development.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
Armadale and Kelmscott Rail Infrastructure	7,620	5,715	521	1,277	628	-	-
Asset Replacement and Office Refurbishment	607	357	50	50	50	50	50
Champion Drive Seville Grove	12,343	5,185	68	993	1,445	1,441	1,441
Champion Lakes							
Aboriginal Interpretive Centre	2,043	1,990	657	53	-	-	-
Commercial Land Development	1,866	370	-	1,496	-	-	-
Development of Lake Infrastructure	30,853	30,808	2,617	45	-	-	-
City West	5,113	942	708	989	1,047	1,047	1,047
Forrestdale Business Park	61,473	45,632	6,004	9,971	1,184	1,167	1,076
Forrestdale Business Park West	6,442	1,044	868	980	1,106	1,106	1,106
Implementation of Armadale Redevelopment Scheme	6,625	6,421	9	184	20	-	-
Kelmscott District Centre Works and Gilwell Avenue Extension	5,976	3,320	106	554	1,802	300	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Wungong Urban Water Project							
Water Smart Australia Initiative	4,376	3,562	1,712	814	-	-	-
Wungong Water Drainage, River Restoration and Other Civil Works	57,250	3,807	315	9,196	12,229	10,495	10,795
Total Cost of Asset Investment Program.....	202,587	109,153	13,635	26,602	19,511	15,606	15,515
FUNDED BY							
Capital Appropriation.....			3,250	3,940	2,750	-	-
Borrowings			-	1,500	800	-	-
Commonwealth Grants.....			650	-	-	-	-
Internal Funds and Balances.....			1,074	-	461	62	61
Other			8,661	21,162	15,500	15,544	15,454
Total Funding			13,635	26,602	19,511	15,606	15,515

EAST PERTH REDEVELOPMENT AUTHORITY

ASSET INVESTMENT PROGRAM

The Authority is funded by land sales revenue and will continue to deliver regeneration projects such as the Perth City Link, the Perth Cultural Centre and Riverside to provide social, environmental and economic outcomes for the community.

In 2011-12 the Authority will spend:

- \$8.8 million to continue stage one works for the Perth City Link project, which will reconnect the city centre with Northbridge and deliver high quality residential, commercial and public spaces for Perth's growing population;
- \$5.6 million to continue the activation and revitalisation of the Perth Cultural Centre in Northbridge; and
- \$28.3 million to fund redevelopment works and land acquisition in the Riverside project area.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
East Perth Redevelopment Works	140,856	103,398	340	379	2,481	4,267	17,435
Northbridge Redevelopment Works	79,983	53,747	8,479	5,554	5,070	872	7,073
Perth City Link	128,337	15,225	8,334	8,768	6,013	9,110	32,921
Riverside Redevelopment Works	92,833	27,661	4,035	28,268	27,608	7,972	563
COMPLETED WORKS							
Minor Asset Purchases	350	350	350	-	-	-	-
Total Cost of Asset Investment Program.....	442,359	200,381	21,538	42,969	41,172	22,221	57,992
FUNDED BY							
Borrowings			5,073	38,024	25,062	18,625	53,825
Internal Funds and Balances.....			16,465	4,945	16,110	3,596	4,167
Total Funding			21,538	42,969	41,172	22,221	57,992

MIDLAND REDEVELOPMENT AUTHORITY

ASSET INVESTMENT PROGRAM

The Authority's role is to revitalise Midland into a vibrant strategic regional centre by improving existing vacant and under-utilised land and buildings. This will be carried out through its land sales program with further residential and commercial land releases.

The Authority will continue its development of The Workshops subdivision located at the heart of the former Midland Railways Workshop site. A total of \$12.3 million will be spent in 2011-12 on continuing sub-divisional works to enhance the mix of cultural and built heritage presence within the Authority's redevelopment area.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
Clayton Precinct	19,216	286	-	-	10,098	9,818	-
Helena Precinct	44,394	31,376	6,695	12,251	1,299	-	-
COMPLETED WORKS							
Helena Precinct - Sector 10	34,710	33,192	7,398	-	-	-	-
Total Cost of Asset Investment Program.....	98,320	64,854	14,093	12,251	11,397	9,818	-
Total	98,320	64,854	14,093	12,251	11,397	9,818	-
FUNDED BY							
Borrowings			11,298	3,866	-	-	-
Internal Funds and Balances.....			2,795	8,385	11,397	9,818	-
Total Funding			14,093	12,251	11,397	9,818	-

SUBIACO REDEVELOPMENT AUTHORITY

ASSET INVESTMENT PROGRAM

The Authority is funded by land sales revenue and will continue to deliver social, environmental and economic returns to the community through its work in the remaining parts of the Subiaco Redevelopment Area.

In 2011-12, the Authority will spend \$3.3 million to complete the redevelopment of the former Australian Fine China site.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
Development Works.....	66,256	62,972	19,972	3,284	-	-	-
Total Cost of Asset Investment Program.....	66,256	62,972	19,972	3,284	-	-	-
FUNDED BY							
Borrowings.....			6,962	3,284	-	-	-
Internal Funds and Balances.....			13,010	-	-	-	-
Total Funding			19,972	3,284	-	-	-

WESTERN AUSTRALIAN PLANNING COMMISSION

PART 11 - MINISTER FOR PLANNING; CULTURE AND THE ARTS; SCIENCE AND INNOVATION

DIVISION 49

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 76 Net amount appropriated to deliver services	3,479	3,262	3,262	14,703	5,363	5,912	4,525
Amount Authorised by Other Statutes - Metropolitan Region Improvement Tax Act 1959	78,311	78,900	77,300	83,600	83,700	92,000	101,200
Total appropriations provided to deliver services	81,790	82,162	80,562	98,303	89,063	97,912	105,725
CAPITAL							
Item 143 Capital Appropriation.....	5,400	5,400	5,400	53,821	167,605	83,660	27,672
TOTAL APPROPRIATIONS	87,190	87,562	85,962	152,124	256,668	181,572	133,397
EXPENSES							
Total Cost of Services	62,014	42,249	52,280	49,113	46,772	46,334	44,488
Net Cost of Services ^(a)	37,928	22,071	27,520	24,970	23,005	23,490	21,654
CASH ASSETS ^(b)	104,476	42,149	87,966	102,148	108,234	106,682	115,676

(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 SPENDING CHANGES

Details of major decisions impacting on the agency's Income Statement since publication of the 2010-11 Budget to Parliament on 20 May 2010 are outlined below.

	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Directions 2031 Implementation	3,300	2,500	1,600	1,000	-
Perth Waterfront Project.....	6,909	4,510	2,079	2,556	1,104

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
State Building - Major Projects: Building strategic infrastructure that will create jobs and underpin Western Australia's long-term economic development.	Land use planning and land use implementation strategies to guide the State's long term urban settlement and economic development.	1. Statutory Planning 2. Strategic Planning 3. Asset Management

Service Summary

Expense	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
1. Statutory Planning	10,037	11,662	10,787	10,789	10,290	10,193	9,787
2. Strategic Planning	11,996	9,237	20,569	16,347	15,435	15,291	14,681
3. Asset Management	39,981	21,350	20,924	21,977	21,047	20,850	20,020
Total Cost of Services.....	62,014	42,249	52,280	49,113	46,772	46,334	44,488

Significant Issues Impacting the Agency

- Adequate future land supply, delivered in a cost effective manner, is increasingly important to Western Australians along with the timely and efficient provision of all forms of infrastructure. Population growth in Perth and throughout Western Australia is increasing pressure on transport systems and infrastructure, i.e. road, rail, seaports, airports and social and community infrastructure.
- The community is demanding greater simplicity, timeliness and integration of development that recognises good urban design, well-located employment opportunities, efficient transport and a quality environment as keys to successful development. There is a growing need for outcomes-based approaches to sustainable urban planning that will provide the capacity to manage land use planning by measuring its many variable components.
- Increasing pressures on the use of land requires the Commission to work to ensure that resources are managed, areas are developed and used sustainably, and also ensuring the natural environment is preserved and habitats protected.
- The Commission is improving strategic and statutory planning processes through which the community can participate and make creative and effective contributions to planning initiatives. In particular, the release of Directions 2031 provides a high-level framework for strategic planning for Perth and Peel. This framework will guide future government policy on the planning, coordination and development of land use, transport and service infrastructure.

- The State Planning Strategy is currently the subject of a thorough review and is being restructured and repositioned to address the emerging and key issues facing planning and development in the State. The Commission will continue to undertake land use planning, reservation and acquisition to ensure that Western Australia has parks and recreation areas that are managed, developed and used sustainably to preserve biological diversity, protect habitats and provide for community use.
- There is a growing need to encourage and promote development in Western Australia's regions, particularly in the northern mining areas. Recently established Regional Planning Committees for the Kimberley, Pilbara, Gascoyne and Mid West Regions are developing robust regional planning strategies to guide orderly development and local planning activities. The Commission is working closely with government agencies and regional communities to coordinate the development of land and the provision of utility and social services, and to stimulate investment in value-adding enterprises.
- Preparation of the Perth Waterfront site will begin immediately after the Commonwealth Heads of Government Meeting in October 2011. These preparatory works will pave the way for major earthworks to begin in early 2012 and will provide a landmark statement for the Perth City and will open up new development opportunities around an exciting and vibrant showpiece. By reconnecting the waterfront to the city, the Waterfront project will expand the city centre and provide an integrated and dynamic waterfront precinct to be enjoyed by residents and visitors alike. Finalisation of the Metropolitan Region Scheme Amendment for the Perth Waterfront will occur during 2011-12 and public works construction will commence in early 2012.

Outcomes and Key Effectiveness Indicators ^(a)

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Outcome: Land use planning and land use implementation strategies to guide the State's long-term urban settlement and economic development.					
The number of planning applications determined within set statutory parameters:					
- Metropolitan Perth	2,543	3,048	2,060	2,121	1
- Country Western Australia.....	1,195	1,238	1,032	1,062	

(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 2010-11 Budget was incorrectly calculated by including the total number of applications. The 2010-11 Estimated Actual and 2011-12 Budget reflects those applications that meet the statutory parameters.

Services and Key Efficiency Indicators

1: Statutory Planning

Utilisation of statutory, consultative, legislative, regulatory reform and coordination processes that facilitate the implementation of creative and innovative strategic regional and local plans and policies.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 10,037	\$'000 11,662	\$'000 10,787	\$'000 10,789	
Less Income.....	8,557	9,804	9,433	9,766	
Net Cost of Service	1,480	1,858	1,354	1,023	
Efficiency Indicators					
Determinations which were Processed without a Successful Appeal	99%	99%	99%	99%	
Applications Processed within the Statutory Timeframes	67%	68%	79%	80%	
Average Cost per Application Determined.....	\$2,684	\$2,721	\$2,748	\$2,731	

2: Strategic Planning

The development and advancement of planning strategies, policies and information systems that guide the State's long-term urban settlement, industrial and economic development, and the management of the environment, in ways that reflect the aspirations of the Western Australian community for a high quality of life.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 11,996	\$'000 9,237	\$'000 20,569	\$'000 16,347	1
Less Income.....	4,482	1,377	5,042	4,060	1
Net Cost of Service	7,514	7,860	15,527	12,287	
Efficiency Indicators					
Planning Decisions - Strategic, Environment, Industry, Infrastructure and Transport.....	267	200	196	200	
Client Satisfaction with Strategic Planning Activities (Via Survey)	65%	65%	65%	65%	
Client Satisfaction with the Timeliness of Strategic Planning Activities (Via Survey)	65%	65%	65%	65%	
Average Cost per Planning Decision - Strategic, Environment, Industry, Infrastructure and Transport	\$44,928	\$46,185	\$104,944	\$81,745	2

Explanation of Significant Movements

(Notes)

1. The 2010-11 Estimated Actual figure compared to the 2010-11 Budget reflects extra spending commitments for the Perth Waterfront Project and the expenditure of extra grants received from the Commonwealth, State and local governments for various studies. The 2011-12 Budget Targets include commitments for the Perth Waterfront Project and the acquittal of grant monies received from the Commonwealth. The 2011-12 Budget Target reduces from the Estimated Actual for 2010-11 due to the capitalisation of the Perth Waterfront project as construction commences.
2. The Estimated Actual average cost per planning decision in 2010-11 compared to the 2010-11 Budget reflects the extra spending for the Perth Waterfront and grants monies. The 2011-12 Budget Target recognises the increased spending for the Perth Waterfront and the acquittal of grant funds.

3: Asset Management

The acquisition, management and disposal of properties reserved under the Metropolitan, Peel and Greater Bunbury Region Schemes for primary and other regional roads, parks and recreation and regional open space areas, special uses including planning control area and improvement plans and major land development projects.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	39,981	21,350	20,924	21,977	
Less Income	11,047	8,997	10,285	10,317	
Net Cost of Service	28,934	12,353	10,639	11,660	
Efficiency Indicators					
Hectares Managed - Improvement Plans, Regional Roads and Other Uses (Includes Rental Properties)	3,426	3,600	3,500	3,600	
Hectares Managed - Parks and Recreational Reserves	10,488	11,500	11,000	11,500	
Management - Progress on Formulation and Implementation of Management Plans	4 completed 2 draft final	6 completed	6 completed	n/a	1
Acquisitions - Acceptances within Approved Range	99%	90%	95%	95%	
Disposals - Realised at in Excess of Reserved Price	100%	95%	98%	95%	
Acquisitions - Approved Schedule Acquired within Period	97%	100%	100%	100%	
Disposals - Approved Schedule Acquired within Period	82%	100%	100%	100%	
Available Days Tenanted	97%	90%	96%	95%	
Approved Management Program Achieved	96%	90%	90%	92%	
Approved Management Plan Activities Achieved	96%	90%	90%	92%	
Average Cost per Hectare Managed	\$1,461	\$1,414	\$1,443	\$1,455	

Explanation of Significant Movements

(Notes)

1. The management plans for Perth Regional Parks are now complete and will no longer be reported.

ASSET INVESTMENT PROGRAM

The Commission's planned 2011-12 asset investment of \$118.4 million includes the acquisition of land under the Metropolitan Region Scheme, the Peel and the Greater Bunbury Region Schemes, continuation of the Bush Forever Program, and the development of facilities on reserved land.

Expenditure of \$53.2 million in 2011-12 for the Perth Waterfront Project will see this important project move from detailed planning to construction in early-2012. Funding of \$270.0 million (net of asset sales) across the outyears will provide for the ongoing construction of the inlet and surrounding areas. The Perth Waterfront Project will reconnect the City with the Swan River to provide an integrated and dynamic waterfront precinct to be enjoyed by residents and visitors alike.

The Stirling City Centre project is an urban regeneration initiative that will deliver an integrated city centre around the Stirling train station and the Innaloo retail precinct. The funding is allocated for the detailed studies to facilitate investment through a consortium of private sector and government investment.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
Buildings/Infrastructure	9,193	6,193	300	300	300	300	300
Other Minor Equipment	2,990	1,632	119	122	125	128	131
Perth Waterfront Project.....	438,383	11,303	11,303	53,195	165,255	138,220	22,309
Stirling Regional Centre.....	8,500	3,500	3,500	3,500	1,500	-	-
COMPLETED WORKS							
Acquisition of Land - 2010-2011 Program.....	42,118	42,118	42,118	-	-	-	-
Perth's Bushplan - 2010-11 Program.....	10,000	10,000	10,000	-	-	-	-
Regional Land Acquisitions - 2010-11 Program	8,900	8,900	8,900	-	-	-	-
NEW WORKS							
Acquisition of Land							
2011-12 Program.....	45,905	-	-	45,905	-	-	-
2012-13 Program.....	50,550	-	-	-	50,550	-	-
2013-14 Program.....	78,840	-	-	-	-	78,840	-
2014-15 Program.....	80,363	-	-	-	-	-	80,363
Perth's Bushplan							
2011-12 Program.....	10,000	-	-	10,000	-	-	-
2012-13 Program.....	10,000	-	-	-	10,000	-	-
Regional Land Acquisitions							
2011-12 Program.....	5,400	-	-	5,400	-	-	-
2012-13 Program.....	5,400	-	-	-	5,400	-	-
2013-14 Program.....	5,400	-	-	-	-	5,400	-
2014-15 Program.....	5,400	-	-	-	-	-	5,400
Total Cost of Asset Investment Program.....	817,542	83,646	76,240	118,422	233,130	222,888	108,503
FUNDED BY							
Capital Appropriation.....			5,400	53,821	167,605	83,660	27,672
Asset Sales			13,500	5,000	5,000	62,600	5,000
Internal Funds and Balances.....			57,340	59,601	60,525	76,628	75,831
Total Funding			76,240	118,422	233,130	222,888	108,503

FINANCIAL STATEMENTS**Income Statement***Expenses*

The increase of \$10.0 million (23.7%) in the Estimated Total Cost of Services in 2010-11 Estimated Actual compared with the 2010-11 Budget is due to the extra expenditure associated with the Perth Waterfront Project and external grants received from Commonwealth, State and local governments.

Statement of Financial Position

The Commission's Total Asset position is expected to decrease by \$73.7 million for the Estimated Actual for 2010-11 compared with the 2010-11 Budget. This is due to the devaluation of land, transfer of a number of properties to the State and the sale of 140 William Street. The Commission's Total Asset position in 2011-12 Budget compared with the 2010-11 Estimated Actual will increase by \$123.1 million due to purchases of land and an increased cash balance.

Statement of Cashflows

The estimated cash assets will increase by \$45.8 million for the 2010-11 Estimated Actual compared with the 2010-11 Budget due to increased land sales and a higher cash balance carried forward from 2009-10. The Commission is subject to a number of arbitration decisions that requires cash on hand to meet these obligations as, and when, they occur.

INCOME STATEMENT ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits	483	316	316	328	342	352	364
Grants and subsidies ^(b)	3,892	4,562	4,962	5,438	5,067	3,050	3,050
Supplies and services	9,150	8,251	18,710	14,816	11,921	12,296	10,213
Accommodation	1,273	1,700	2,250	1,765	1,830	1,990	2,060
Depreciation and amortisation	2,299	3,240	3,240	3,300	3,400	3,500	3,600
Other expenses	44,917	24,180	22,802	23,466	24,212	25,146	25,201
TOTAL COST OF SERVICES	62,014	42,249	52,280	49,113	46,772	46,334	44,488
Income							
Sale of goods and services	8,169	9,871	8,493	8,683	8,926	9,119	9,384
Grants and subsidies	2,535	310	2,420	1,961	1,331	325	-
Other revenue	13,382	9,997	13,847	13,499	13,510	13,400	13,450
Total Income	24,086	20,178	24,760	24,143	23,767	22,844	22,834
NET COST OF SERVICES	37,928	22,071	27,520	24,970	23,005	23,490	21,654
INCOME FROM STATE GOVERNMENT							
Service appropriations	81,790	82,162	80,562	98,303	89,063	97,912	105,725
TOTAL INCOME FROM STATE GOVERNMENT	81,790	82,162	80,562	98,303	89,063	97,912	105,725
SURPLUS/(DEFICIENCY) FOR THE PERIOD	43,862	60,091	53,042	73,333	66,058	74,422	84,071
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	43,862	60,091	53,042	73,333	66,058	74,422	84,071

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

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

Details of Controlled Grants and Subsidies

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Araluen Botanic Park	770	1,600	1,600	1,600	1,600	-	-
Coastal Zone Management	657	952	1,812	1,812	952	952	952
Natural Resource Management – Enviro Planning	569	150	137	-	-	-	-
Other	1,706	1,325	963	1,591	1,980	1,763	1,763
Parks and Reserves - Regional Open Space	190	535	450	435	535	335	335
TOTAL	3,892	4,562	4,962	5,438	5,067	3,050	3,050

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	99,780	36,727	83,790	97,972	105,158	103,491	112,485
Restricted cash	4,696	5,422	4,176	4,176	3,076	3,191	3,191
Receivables	1,110	3,381	1,110	1,110	1,110	1,100	1,100
Other	1,782	1,336	1,782	1,782	1,782	1,782	1,782
Total current assets	107,368	46,866	90,858	105,040	111,126	109,564	118,558
NON-CURRENT ASSETS							
Holding account receivables	2,459	2,839	2,839	3,219	3,599	3,979	4,359
Property, plant and equipment	553,846	731,457	566,811	675,396	897,587	1,052,951	1,151,320
Total non-current assets	556,305	734,296	569,650	678,615	901,186	1,056,930	1,155,679
TOTAL ASSETS	663,673	781,162	660,508	783,655	1,012,312	1,166,494	1,274,237
CURRENT LIABILITIES							
Employee provisions	-	66	-	-	-	-	-
Other	43,003	30,238	37,996	37,989	37,983	38,083	38,083
Total current liabilities	43,003	30,304	37,996	37,989	37,983	38,083	38,083
NON-CURRENT LIABILITIES							
Employee provisions	-	5	-	-	-	-	-
Other	-	62	-	-	-	-	-
Total non-current liabilities	-	67	-	-	-	-	-
TOTAL LIABILITIES	43,003	30,371	37,996	37,989	37,983	38,083	38,083
EQUITY							
Accumulated surplus/(deficit)	593,026	689,025	594,868	718,022	946,685	1,100,767	1,208,510
Reserves	27,644	61,766	27,644	27,644	27,644	27,644	27,644
Total equity	620,670	750,791	622,512	745,666	974,329	1,128,411	1,236,154
TOTAL LIABILITIES AND EQUITY	663,673	781,162	660,508	783,655	1,012,312	1,166,494	1,274,237

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	81,028	81,782	80,182	97,923	88,683	97,532	105,345
Capital appropriation.....	5,400	5,400	5,400	53,821	167,605	83,660	27,672
Net cash provided by State Government.....	86,428	87,182	85,582	151,744	256,288	181,192	133,017
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(495)	(316)	(316)	(328)	(342)	(352)	(364)
Grants and subsidies.....	(3,885)	(4,562)	(4,962)	(5,438)	(5,067)	(3,050)	(3,050)
Supplies and services.....	(9,532)	(8,128)	(18,587)	(14,688)	(11,786)	(12,165)	(10,078)
Accommodation.....	(1,310)	(1,700)	(2,250)	(1,765)	(1,830)	(1,990)	(2,060)
Other payments.....	(25,312)	(27,605)	(26,227)	(26,894)	(27,644)	(28,573)	(28,632)
Receipts							
Grants and subsidies.....	2,577	310	2,420	1,961	1,331	325	-
Sale of goods and services.....	22	34	8,493	8,683	8,926	9,119	9,384
GST receipts.....	10,029	3,330	3,330	3,330	3,330	3,330	3,330
Other receipts.....	18,281	17,334	11,347	10,999	11,010	10,900	10,950
Net cash from operating activities.....	(9,625)	(21,303)	(26,752)	(24,140)	(22,072)	(22,456)	(20,520)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(80,852)	(68,919)	(76,240)	(118,422)	(233,130)	(222,888)	(108,503)
Equity contribution payment.....	-	(32,600)	(32,600)	-	-	-	-
Proceeds from sale of non-current assets.....	26,769	25,000	33,500	5,000	5,000	62,600	5,000
Net cash from investing activities.....	(54,083)	(76,519)	(75,340)	(113,422)	(228,130)	(160,288)	(103,503)
CASHFLOWS FROM FINANCING ACTIVITIES							
Other proceeds.....	(96)	-	-	-	-	-	-
Net cash from financing activities.....	(96)	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD.....	22,624	(10,640)	(16,510)	14,182	6,086	(1,552)	8,994
Cash assets at the beginning of the reporting period.....	81,852	52,789	104,476	87,966	102,148	108,234	106,682
Cash assets at the end of the reporting period.....	104,476	42,149	87,966	102,148	108,234	106,682	115,676

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

CULTURE AND THE ARTS

PART 11 - MINISTER FOR PLANNING; CULTURE AND THE ARTS; SCIENCE AND INNOVATION

DIVISION 50

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 77 Net amount appropriated to deliver services	75,188	77,989	77,866	76,105	97,087	99,215	101,177
Item 78 Art Gallery of Western Australia.....	3,819	3,984	4,824	10,927	-	-	-
Item 79 Library Board of Western Australia.....	12,573	13,431	13,431	13,303	-	-	-
Item 80 Perth Theatre Trust	2,279	3,905	5,760	10,259	-	-	-
Item 81 Western Australian Museum.....	5,149	5,279	8,259	7,075	-	-	-
Amount Authorised by Other Statutes							
- Lotteries Commission Act 1990	13,500	13,347	13,382	13,818	14,274	14,783	14,783
- Salaries and Allowances Act 1975.....	725	757	757	779	802	826	851
Total appropriations provided to deliver services	113,233	118,692	124,279	132,266	112,163	114,824	116,811
CAPITAL							
Item 144 Capital Appropriation.....	1,547	13,468	13,468	21,000	-	230	2,930
Item 145 Art Gallery of Western Australia....	2,830	2,730	2,730	230	-	-	-
Library Board of Western Australia	81	-	-	-	-	-	-
Perth Theatre Trust	909	9,968	7,304	-	-	-	-
Western Australian Museum	157	-	-	-	-	-	-
TOTAL APPROPRIATIONS	118,757	144,858	147,781	153,496	112,163	115,054	119,741
EXPENSES							
Total Cost of Services	153,440	158,468	169,608	164,926	149,549	150,885	147,118
Net Cost of Services ^(a)	114,363	127,850	134,148	129,612	182,094	112,601	114,129
CASH ASSETS ^(b)	74,312	73,963	41,000	57,975	59,180	62,792	66,160

(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.

EFFECTIVE ALLOCATION BY SERVICE AGENCY

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Art Gallery of Western Australia.....	9,140	9,188	9,978	16,596	9,862	10,146	10,425
Development and Strategy	40,140	35,948	35,441	34,298	31,204	31,837	31,970
Library Board of Western Australia	28,503	28,831	29,086	31,737	30,199	30,654	31,155
Perth Theatre Trust.....	6,396	8,228	10,037	14,829	11,218	11,552	11,862
ScreenWest.....	5,058	3,370	3,861	3,751	3,517	3,572	3,629
State Records Office.....	1,924	1,923	1,972	2,479	2,105	2,150	2,161
Western Australia Museum	22,072	31,204	33,904	28,576	24,058	24,913	25,609
TOTAL.....	113,233	118,692	124,279	132,266	112,163	114,824	116,811

MAJOR SPENDING CHANGES

Details of major decisions impacting on the agency's Income Statement since publication of the 2010-11 Budget to Parliament on 20 May 2010 are outlined below.

	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Albany Entertainment Centre Operating Costs	1,855	2,108	-	-	-
Art Gallery Museum of Modern Art Exhibitions	97	7,887	8,668	7,430	1,986
Commonwealth Heads of Government Meeting 2011 - Arts Festival	750	250	-	-	-
Cultural Events Package	-	1,000	1,000	1,000	1,000
Cultural Institutions Funding	4,654	6,000	-	-	-
Own-Source Revenue Revisions	2,377	384	(1,411)	(1,801)	(864)
Perth Fashion Festival	-	250	250	250	250
State Office Records Repository Site Planning	-	100	-	-	-
State Theatre Centre Operating Costs	-	457	580	580	580

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
Results-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	A creative, sustainable and accessible culture and arts sector.	1. Arts Industry Support 2. Screen Production Industry Support 3. Venue Management Services
	Western Australia's natural, cultural and documentary collections are preserved, accessible and sustainable.	4. Art Gallery Services 5. Library and Information Services 6. Museum Services 7. Government Recordkeeping and Archival Services

Service Summary

Expense	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
1. Arts Industry Support	34,043	44,811	44,817	34,757	31,116	31,783	31,929
2. Screen Production Industry Support	12,102	8,675	10,064	9,323	8,876	8,859	8,839
3. Venue Management Services	20,539	20,168	22,714	27,630	23,366	24,100	24,796
4. Art Gallery Services	13,619	14,647	16,347	23,696	23,801	22,444	17,323
5. Library and Information Services	37,525	31,527	33,498	34,182	31,856	32,204	31,997
6. Museum Services	33,267	36,579	39,936	32,943	28,384	29,291	30,014
7. Government Recordkeeping and Archival Services	2,345	2,061	2,232	2,395	2,150	2,204	2,220
Total Cost of Services	153,440	158,468	169,608	164,926	149,549	150,885	147,118

Significant Issues Impacting the Agency

- The Western Australian Museum continues with the next stage of more detailed planning and design of a new museum in the Perth Cultural Centre. Part of this program includes the demolition of the Francis St Museum building during 2011 to provide a site for future construction. A new museum will be a major capital project for the State which will deliver significant improvements to visitor experiences and provide a contemporary capital city museum for the whole State.
- A business case for a replacement State Archives repository has been completed by the State Records Office. An amount of \$0.1 million has been allocated for further identification of a suitable site.
- The Art Gallery of Western Australia has a unique opportunity to enter into an exclusive partnership with the internationally renowned New York's Museum of Modern Art to deliver six world-class exhibitions in Perth over three years. This will demonstrate that Western Australia has both the ability and stature to deliver outstanding masterpiece exhibitions and that the vitality of the State's cultural activity matches its dynamic economic sector.
- The State Government, through the Perth Theatre Trust, agreed to accept ownership and operate the Albany Entertainment Centre for two years until 30 June 2012. The venue was opened in December 2010.
- The State Theatre Centre of Western Australia was opened in January 2011. The venue is the first professional theatre fully funded by the State Government. The opening of this venue coincided with the decommissioning of The Playhouse Theatre.
- The Government is undertaking the re-cladding of the Art Gallery's main building. The program of works is underway and is scheduled to be completed in 2012. The Art Gallery will continue normal operations and present its international exhibitions throughout the project.
- The Commonwealth Heads of Government Meeting (CHOGM) in October 2011 will provide increased engagement with arts and culture through an eight day Commonwealth Festival contract managed by the Department of Culture and the Arts (DCA) with the Perth International Arts Festival. The program will include links with the emerging Indigenous Arts Showcase 'Revealed' and the Western Australia Indigenous Art Awards, both supported by DCA and other state and national partners. In addition, the second of the Art Gallery's 'Great Collections of the World' series: 'Princely Treasures: European Masterpieces 1600-1800' from London's Victoria and Albert Museum will be exhibited during CHOGM.
- A key issue for the Portfolio is the maintenance of its highly utilised and specialised building stock within a limited budget. An important consideration is that 33 of the Portfolio's 40 buildings are heritage listed, many of which were not built for their current purpose or usage.
- Planning for combined storage facilities within the Portfolio is currently being undertaken as the Art Gallery of Western Australia, the Western Australia Museum and the State Library of Western Australia have immediate and critical issues with current and future storage of State collections.
- The Government is committed to increasing cultural vibrancy in the Perth CBD and is supporting this outcome with \$1 million each year for the next four years to create a cultural events package. This investment will attract large scale culture and arts events for the people to enjoy and engage with the city.

- The Government has been a long-standing supporter of the Perth Fashion Festival. This commitment continues for the next four years, with \$250,000 per annum to be provided to support programs that promote the growing Western Australian Fashion Industry.
- The development of the Australian (National) Curriculum, with the Arts being rolled out in Phase 2, 2012 will impact on the DCA. One of the major implications of the new curriculum is the level of professional learning that will be required by educators in order to meet the associated teaching requirements. Consequently, there will be a high level of demand placed on the DCA through its arts in education partnership framework 'Creative Connections' and its program area ArtsEdge to assist the arts and education sectors.
- In 2010-11, investments by ScreenWest helped achieve screen production in Western Australia valued at an estimated \$33.5 million. There are a number of major producers and investors interested in filming in Western Australia in 2011-12 and ScreenWest will continue its efforts to secure funding for these projects. To guide the agency and support the local industry going forward, ScreenWest has developed, in close consultation with the industry, the ScreenWest Strategic Plan 2011-16. Implementation of the plan will begin from 1 July 2011. ScreenWest is committed to Indigenous filmmaking and the implementation of the ScreenWest Indigenous Screen Strategy 2010-15 will address the specific needs and requirements of this burgeoning sector.
- The State Library continues to work in partnership with local governments to develop public library services. Significant projects include a State-wide literacy strategy, new service delivery models for Indigenous communities, and a strategy to identify and maximise the use of technology in public libraries.
- The highly successful Better Beginnings Family Literacy program delivers targeted strategies designed to raise the literacy levels of children throughout Western Australia. In 2011-12 it will receive \$1.7 million to further expand the program, including \$0.7 million from Royalties for Regions to expand the program in regional areas.

Outcomes and Key Effectiveness Indicators ^(a)

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Outcome: A creative, sustainable and accessible culture and arts sector:					
Proportion of funding applicants satisfied with the key elements of the 'creative' funding programs.....	78%	78%	78%	79%	
Proportion of Western Australians that perceive culture and arts sector (including the Screen Industry) events to be accessible.....	60%	62%	59%	61%	
Perceived value of culture and the arts (including the Screen Industry) to the Western Australian Community	78%	78%	78%	79%	
Proportion of triennially funded organisations within the culture and arts sector regarded as financially healthy.....	16%	24%	24%	24%	
Outcome: Western Australia's natural, cultural and documentary collections are preserved, accessible and sustainable:					
Extent to which Western Australia's natural, cultural and documentary collections, that require preservation, are preserved	80%	84%	81%	83%	
The number of accesses to Western Australia's natural, cultural and documentary collections per capita	2.374	2.445	2.304	2.273	
Percentage of clients satisfied with the services associated with accessing Western Australia's natural, cultural and documentary collections	86%	90%	89%	90%	
Value of collection renewal, content development, expansion and/or maintaining the physical integrity of the collection as a proportion of collection value	5%	5%	5%	6%	

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

Services and Key Efficiency Indicators

1: Arts Industry Support

Development, funding and promotion of the arts industry.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service	\$'000 34,043	\$'000 44,811	\$'000 44,817	\$'000 34,757	1
Less Income	616	332	1,696	69	2
Net Cost of Service	33,427	44,479	43,121	34,688	
Employees (Full Time Equivalents)	48	50	47	48	
Efficiency Indicators					
Average Cost per Grant Application Processed	\$831	\$807	\$836	\$841	

Explanation of Significant Movements

(Notes)

1. The reduction in Total Cost of Services in 2011-12 is mainly due to one-off funding set aside in 2010-11 for the West Australian Symphony Orchestra relocation.
2. The increased Income estimated in 2010-11 is due to the State Government support for the Commonwealth Heads of Government Meeting Arts Festival.

2: Screen Production Industry Support

Delivery of strategic support and funding to advance the development of the screen production industry in Western Australia.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service	\$'000 12,102	\$'000 8,675	\$'000 10,064	\$'000 9,323	
Less Income	6,805	5,305	6,198	5,646	
Net Cost of Service	5,297	3,370	3,866	3,677	
Employees (Full Time Equivalents)	18	20	19	20	
Efficiency Indicators					
Average Cost per Grant Application Processed	\$2,525	\$2,921	\$2,861	\$2,884	

3: Venue Management Services

Management and promotion of performing arts venues.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	20,539	20,168	22,714	27,630	1
Less Income.....	12,552	11,941	12,202	13,415	2
Net Cost of Service	7,987	8,227	10,512	14,215	
Employees (Full Time Equivalents)	53	54	53	54	
Efficiency Indicators					
Average Cost per Performance.....	\$22,570	\$21,252	\$23,935	\$27,630	3

Explanation of Significant Movements

(Notes)

1. The increase in Total Cost of Services in 2011-12 is due to operating costs and depreciation on the State Theatre Centre of Western Australia and Albany Entertainment Centre and the additional funding for cultural institutions.
2. The increase in Income in 2011-12 is due to additional revenue from the State Theatre Centre of Western Australia and the Albany Entertainment Centre.
3. The increase in the Average Cost per Performance in 2011-12 is due to the additional expenditure related to the State Theatre Centre of Western Australia and the Albany Entertainment Centre.

4: Art Gallery Services

Delivery of the State Art Collection and access to art gallery services and programs through visual arts advocacy, collection development, facilities and services. Services ensure that primary access to art, heritage and ideas locally, regionally and internationally are preserved and displayed for future generations.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	13,619	14,647	16,347	23,696	1
Less Income.....	7,357	5,460	6,248	8,000	2
Net Cost of Service	6,262	9,187	10,099	15,696	
Employees (Full Time Equivalents)	64	67	65	68	
Efficiency Indicators					
Average Cost of Art Gallery Services per Art Gallery Access.....	\$29	\$37	\$32	\$35	

Explanation of Significant Movements

(Notes)

1. The increase in Total Cost of Services in 2011-12 is mainly due to the Art Gallery Museum of Modern Art Exhibitions.
2. The increase in Income in 2011-12 is mainly due to the Art Gallery Museum of Modern Art Exhibitions.

5: Library and Information Services

Delivery of library and information services through the Internet, the State Library and the public library system. Partnering with Local Governments and associated bodies to provide leadership, resources, information and other public library services. Provision of programs to ensure that Western Australia's documentary and digital heritage is collected, organised and preserved for access by future generations.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 37,525	\$'000 31,527	\$'000 33,498	\$'000 34,182	1
Less Income.....	3,091	2,067	3,006	3,201	2
Net Cost of Service	34,434	29,460	30,492	30,981	
Employees (Full Time Equivalents)	205	218	204	219	
Efficiency Indicators					
Average Cost of State Library Services per New Collection Item	\$70	\$69	\$69	\$65	
Average Cost of State Library Services per State Library Access/Client Interaction	\$11	\$9	\$10	\$10	

Explanation of Significant Movements

(Notes)

1. The increase in Total Cost of Services in 2010-11 and 2011-12 is due to an increase in revenue estimates and increased Cultural Institutions Funding.
2. The increase in Income in 2010-11 is due to several one-off grants received during the year.

6: Museum Services

Delivery and promotion of museum services through collection development and management, research, education and visitor services.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 33,267	\$'000 36,579	\$'000 39,936	\$'000 32,943	1
Less Income.....	8,471	5,375	5,989	4,859	2
Net Cost of Service	24,796	31,204	33,947	28,084	
Employees (Full Time Equivalents)	230	230	226	230	
Efficiency Indicators					
Average Cost of Museum Services per Museum Access	\$41	\$43	\$48	\$42	3

Explanation of Significant Movements

(Notes)

1. The decrease in Total Cost of Services in 2011-12 is a result of one-off funding received in 2010-11 for the new museum and Cultural Centre Development project.
2. The reduction in Income in 2011-12 is mainly due to one-off Pompeii Exhibition revenue received in 2010-11 not anticipated to be repeated in 2011-12.
3. The decrease in the Average Cost of Museum Services per Museum Access in 2011-12 is due to a reduced Total Cost of Services resulting from the new museum and Cultural Centre Development funding.

7: Government Recordkeeping and Archival Services

Delivery of recordkeeping services to State and Local Government agencies, improving the quality of current record management systems and provision of access to State Archives Collections by government agencies and the community.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service	\$'000 2,345	\$'000 2,061	\$'000 2,232	\$'000 2,395	
Less Income	185	138	121	124	
Net Cost of Service	2,160	1,923	2,111	2,271	
Employees (Full Time Equivalents)	25	25	25	25	
Efficiency Indicators					
Average Cost of State Records Office (SRO) Services per Regulatory Service	\$395	\$344	\$378	\$399	
Average Cost of SRO Services per Access to the State Archives Collection	\$11	\$10	\$11	\$12	

ASSET INVESTMENT PROGRAM

To support the delivery of the Department's services, a total of \$22.4 million is budgeted to be spent on Asset Investment in 2011-12, including the following:

- additional planning money for a new museum of \$5.0 million. The State has reaffirmed its commitment to a new museum in the Perth Cultural Centre with funding provided to progress further planning to define the architectural requirements for a new museum;
- maintenance is continuing on the Art Gallery Façade of \$3.0 million which will further enhance the revitalisation of the Cultural Centre;
- library materials for Public Libraries and the State Reference Library of \$11.2 million;
- asset replacement (maintenance) and Information Technology system delivery of \$3.0 million; and
- ongoing funding for the Art Gallery Art Acquisition Fund of \$0.2 million.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
Art Gallery Façade Maintenance.....	9,942	6,942	6,942	3,000	-	-	-
COMPLETED WORKS							
Art Gallery - Art Acquisition							
2009-10 Program.....	230	230	230	-	-	-	-
2010-11 Program.....	230	230	230	-	-	-	-
Works of Art - Acquisition Program	1,800	1,800	162	-	-	-	-
Department - Global Provision							
Asset Replacement - 2009-10 Program	2,269	2,269	2,199	-	-	-	-
Asset Replacement - 2010-11 Program	3,000	3,000	3,000	-	-	-	-
Heritage and Maintenance - 2009-10 Program	1,700	1,700	979	-	-	-	-
Heritage and Maintenance - 2010-11 Program	1,700	1,700	1,700	-	-	-	-
State Theatre Centre.....	103,970	103,970	25,056	-	-	-	-
Library							
Public Library Materials - 2010-11 Program.....	9,307	9,307	9,307	-	-	-	-
State Reference Library Materials - 2010-11 Program	1,642	1,642	1,642	-	-	-	-
Upgrade Public and Digital Facelift of the State Library	4,000	4,000	1,029	-	-	-	-
Museum - Welcome Wall - Stage 3	1,430	1,430	1,266	-	-	-	-
Perth Theatre Trust							
Albany Entertainment Centre	70,001	70,001	8,462	-	-	-	-
Perth Concert Hall and His Majesty Theatre Upgrade.....	3,115	3,115	1,255	-	-	-	-
NEW WORKS							
Art Gallery - Art Acquisition							
2011-12 Program.....	230	-	-	230	-	-	-
2013-14 Program.....	230	-	-	-	-	230	-
2014-15 Program.....	230	-	-	-	-	-	230
Department - Global Provision							
Asset Replacement - 2011-12 Program	3,000	-	-	3,000	-	-	-
Asset Replacement - 2013-14 Program	3,000	-	-	-	-	3,000	-
Asset Replacement - 2014-15 Program	3,000	-	-	-	-	-	3,000
New Museum - Planning	5,000	-	-	5,000	-	-	-
Library							
Public Library Materials							
2011-12 Program	9,512	-	-	9,512	-	-	-
2012-13 Program	9,721	-	-	-	9,721	-	-
2013-14 Program	9,935	-	-	-	-	9,935	-
2014-15 Program	10,153	-	-	-	-	-	10,153
State Reference Library Materials							
2011-12 Program	1,678	-	-	1,678	-	-	-
2012-13 Program	1,715	-	-	-	1,715	-	-
2013-14 Program	1,753	-	-	-	-	1,753	-
2014-15 Program	1,792	-	-	-	-	-	1,792
Total Cost of Asset Investment Program.....	275,285	211,336	63,459	22,420	11,436	14,918	15,175
FUNDED BY							
Capital Appropriation.....			23,502	21,230	-	230	2,930
Drawdowns from the Holding Account.....			15,487	14,190	11,436	14,688	12,245
Internal Funds and Balances.....			23,312	(13,000)	-	-	-
Other			1,158	-	-	-	-
Total Funding			63,459	22,420	11,436	14,918	15,175

FINANCIAL STATEMENTS

Income Statement

Expenses

The Income Statement shows an estimated decrease in the Total Cost of Services of \$4.7 million (2.8%) for 2011-12 compared to the 2010-11 Estimated Actual. This decrease is mainly attributable to one-off funding in 2010-11 for:

- West Australian Symphony Orchestra relocation (\$7.9 million);
- New Museum and Cultural Centre Development planning (\$5.0 million); and
- Arts Funding (\$2.1 million).

These decreases above are offset by increased funding for:

- Art Gallery Museum of Modern Art Exhibitions (\$7.8 million);
- Cultural Institutions Funding (\$1.3 million); and
- Cultural Events Package (\$1.0 million).

Statement of Financial Position

The Department's total net asset position (total equity) is expected to increase by \$87.3 million (5.4%) between the 2010-11 Estimated Actual and the 2011-12 Budget. This reflects a projected increase in total assets of \$87.6 million (5.3%) and an increase in total liabilities of \$0.3 million over the same period.

The expected increase in assets is mainly attributable to increased:

- Land and Buildings (\$23.8 million);
- Collection Revaluations (\$39.8 million);
- Cash assets (\$16.7 million) due to timing differences between expenditure and income; and
- Holding Account receivables for approved future asset replacement (\$6.2 million).

Statement of Cashflows

The 2011-12 closing cash assets balance of \$57.9 million represents an increase of \$15.0 million (36.6%) in comparison to the 2010-11 Estimated Actual. The increase is a result of timing differences between expenditure incurred and income received.

INCOME STATEMENT ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	60,420	54,003	57,853	60,592	58,264	59,793	60,914
Grants and subsidies ^(c)	37,543	47,751	48,686	36,910	32,758	33,272	33,272
Supplies and services	21,307	22,405	26,512	27,737	25,207	24,511	19,612
Accommodation	7,830	5,883	7,082	8,476	7,183	7,396	7,605
Depreciation and amortisation	19,145	17,552	18,191	20,042	19,027	19,210	19,210
Other expenses ^(d)	7,195	10,874	11,284	11,169	77,110	6,703	6,505
TOTAL COST OF SERVICES	153,440	158,468	169,608	164,926	219,549	150,885	147,118
Income							
Sale of goods and services	16,732	16,280	18,398	20,681	23,576	24,901	19,600
Grants and subsidies	9,551	5,951	8,749	6,724	6,180	5,695	5,711
Other revenue	12,794	8,387	8,313	7,909	7,699	7,688	7,678
Total Income	39,077	30,618	35,460	35,314	37,455	38,284	32,989
NET COST OF SERVICES	114,363	127,850	134,148	129,612	182,094	112,601	114,129
INCOME FROM STATE GOVERNMENT							
Service appropriations	113,233	118,692	124,279	132,266	112,163	114,824	116,811
Resources received free of charge	148	191	146	150	154	158	163
Royalties for regions fund ^(e)	-	878	828	1,176	983	1,025	250
TOTAL INCOME FROM STATE GOVERNMENT	113,381	119,761	125,253	133,592	113,300	116,007	117,224
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(982)	(8,089)	(8,895)	3,980	(68,794)	3,406	3,095
Extraordinary items	(3,901)	(500)	(500)	(500)	(500)	(500)	(500)
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	(4,883)	(8,589)	(9,395)	3,480	(69,294)	2,906	2,595

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

(b) The Full Time Equivalents (FTEs) for 2009-10 Actual, 2010-11 Estimated Actual and 2011-12 Estimates are 643, 639 and 664 respectively. In some cases the figures for 2009-10 and 2010-11 may differ from previously published figures due to changes in calculation methodology.

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

(d) Other expenses in 2012-13 include the transfer of the Albany Entertainment Centre to the City of Albany for \$70.0 million.

(e) Regional Community Services Fund - \$0 (2009-10), \$0.9 million (2010-11), \$0.8 million (2010-11 Estimated Out Turn), \$1.2 million (2011-12), \$1.0 million (2012-13), \$1.0 million (2013-14), \$0.3 million (2014-15).

Details of Controlled Grants and Subsidies

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Arts Projects and Organisations	24,245	29,413	28,713	28,285	25,336	25,923	25,923
Film Projects and Screen Organisations	9,558	7,254	8,892	7,485	6,778	6,700	6,700
Other	3,737	3,172	3,172	1,140	644	649	649
West Australian Symphony Orchestra Relocation	3	7,912	7,909	-	-	-	-
TOTAL	37,543	47,751	48,686	36,910	32,758	33,272	33,272

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	42,789	41,369	6,726	23,465	24,417	27,758	30,836
Restricted cash.....	25,281	26,165	27,781	27,781	27,781	27,781	27,781
Holding account receivables.....	15,487	16,969	14,190	11,436	14,688	12,245	12,245
Receivables	4,737	3,599	4,737	4,737	4,737	4,737	4,737
Other.....	3,836	3,464	4,007	4,007	4,007	4,007	4,007
Total current assets.....	92,130	91,566	57,441	71,426	75,630	76,528	79,606
NON-CURRENT ASSETS							
Holding account receivables.....	37,369	38,254	41,672	50,580	55,221	62,488	69,755
Property, plant and equipment.....	397,593	527,257	523,746	548,235	494,022	513,479	533,837
Intangibles	418	556	615	838	813	1,038	1,263
Restricted cash.....	853	1,048	1,104	1,340	1,593	1,864	2,154
Other.....	978,679	1,056,495	1,027,489	1,067,308	1,108,974	1,153,041	1,199,390
Total non-current assets	1,414,912	1,623,610	1,594,626	1,668,301	1,660,623	1,731,910	1,806,399
TOTAL ASSETS.....	1,507,042	1,715,176	1,652,067	1,739,727	1,736,253	1,808,438	1,886,005
CURRENT LIABILITIES							
Employee provisions	7,949	6,855	8,199	8,401	8,603	8,805	9,007
Payables.....	7,228	7,177	7,228	7,228	7,228	7,228	7,228
Other.....	34,321	37,438	34,374	34,369	34,368	34,574	34,847
Total current liabilities	49,498	51,470	49,801	49,998	50,199	50,607	51,082
NON-CURRENT LIABILITIES							
Employee provisions	3,617	3,721	3,839	3,939	4,039	4,139	4,239
Other.....	1,228	103	1,228	1,228	1,228	1,228	1,228
Total non-current liabilities	4,845	3,824	5,067	5,167	5,267	5,367	5,467
TOTAL LIABILITIES	54,343	55,294	54,868	55,165	55,466	55,974	56,549
EQUITY							
Contributed equity.....	208,874	293,914	293,914	315,144	315,144	315,374	318,304
Accumulated surplus/(deficit)	325,441	330,402	316,046	319,526	250,232	253,138	255,733
Reserves	918,384	1,035,566	987,239	1,049,892	1,115,411	1,183,952	1,255,419
Total equity.....	1,452,699	1,659,882	1,597,199	1,684,562	1,680,787	1,752,464	1,829,456
TOTAL LIABILITIES AND EQUITY	1,507,042	1,715,176	1,652,067	1,739,727	1,736,253	1,808,438	1,886,005

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	96,901	100,838	105,786	111,922	92,834	95,312	97,299
Capital appropriation.....	5,524	26,166	23,502	21,230	-	230	2,930
Holding account drawdowns.....	10,953	15,487	15,487	14,190	11,436	14,688	12,245
Royalties for regions fund ^(b)	-	878	828	1,176	983	1,025	250
Net cash provided by State Government.....	113,378	143,369	145,603	148,518	105,253	111,255	112,724
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(58,605)	(53,314)	(56,990)	(60,051)	(57,916)	(59,236)	(60,290)
Grants and subsidies.....	(38,539)	(47,751)	(48,686)	(36,910)	(32,758)	(33,272)	(33,272)
Supplies and services.....	(22,161)	(22,459)	(26,474)	(27,878)	(25,137)	(24,421)	(19,500)
Accommodation.....	(7,912)	(5,883)	(7,123)	(8,487)	(7,183)	(7,396)	(7,605)
Other payments.....	(20,292)	(22,947)	(23,674)	(20,015)	(14,024)	(14,782)	(14,601)
Receipts							
Grants and subsidies.....	8,751	5,951	8,749	6,724	6,180	5,695	5,711
Sale of goods and services.....	18,354	16,280	18,398	20,681	23,576	24,901	19,600
GST receipts.....	13,322	12,056	12,056	8,829	6,876	8,023	8,023
Other receipts.....	8,316	8,362	8,288	7,984	7,774	7,763	7,753
Net cash from operating activities.....	(98,766)	(109,705)	(115,456)	(109,123)	(92,612)	(92,725)	(94,181)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(54,646)	(56,123)	(63,459)	(22,420)	(11,436)	(14,918)	(15,175)
Net cash from investing activities.....	(54,646)	(56,123)	(63,459)	(22,420)	(11,436)	(14,918)	(15,175)
NET INCREASE/(DECREASE) IN CASH HELD	(40,034)	(22,459)	(33,312)	16,975	1,205	3,612	3,368
Cash assets at the beginning of the reporting period	113,188	96,422	74,312	41,000	57,975	59,180	62,792
Net cash transferred to/from other agencies	1,158	-	-	-	-	-	-
Cash assets at the end of the reporting period	74,312	73,963	41,000	57,975	59,180	62,792	66,160

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

(b) Regional Community Services Fund - \$0 (2009-10), \$0.9 million (2010-11), \$0.8 million (2010-11 Estimated Out Turn), \$1.2 million (2011-12), \$1.0 million (2012-13), \$1.0 million (2013-14), \$0.3 million (2014-15).

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:

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
GST Input Credits	10,671	9,194	9,194	5,895	3,888	5,030	5,030
GST Receipts on Sales	2,651	2,862	2,862	2,934	2,988	2,993	2,993
Rental Income from King Street Arts Centre	30	45	25	30	30	30	30
TOTAL.....	13,352	12,101	12,081	8,859	6,906	8,053	8,053

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

CHEMISTRY CENTRE (WA)

PART 11 - MINISTER FOR PLANNING; CULTURE AND THE ARTS; SCIENCE AND INNOVATION

DIVISION 51

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 82 Net amount appropriated to deliver services	7,348	9,315	9,206	8,381	8,494	8,676	8,812
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975.....	186	196	196	202	208	208	208
Total appropriations provided to deliver services	7,534	9,511	9,402	8,583	8,702	8,884	9,020
CAPITAL							
Item 146 Capital Appropriation.....	195	195	195	195	195	195	195
TOTAL APPROPRIATIONS	7,729	9,706	9,597	8,778	8,897	9,079	9,215
EXPENSES							
Total Cost of Services	21,884	17,019	22,020	22,996	24,201	25,521	27,118
Net Cost of Services ^(a)	9,677	8,363	7,703	7,458	7,344	7,229	7,187
CASH ASSETS ^(b)	1,644	5,509	3,474	4,303	6,155	8,174	10,529

(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.

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
Results-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	Quality Scientific Advice.	1. Commercial and Scientific Information and Advice
	Quality Research and Development.	2. Research and Development
	Quality Emergency Response.	3. Emergency Response Management

Service Summary

Expense	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
1. Commercial and Scientific Information and Advice.....	19,227	14,227	19,270	20,108	21,169	22,337	23,776
2. Research and Development	1,658	1,753	1,700	1,785	1,874	1,968	2,066
3. Emergency Response Management	999	1,039	1,050	1,103	1,158	1,216	1,276
Total Cost of Services.....	21,884	17,019	22,020	22,996	24,201	25,521	27,118

Significant Issues Impacting the Agency

- The Centre needs to expand its financial base and be less reliant on appropriations. This means it must be more commercial in its approach and become less reliant on its current customer base which is rather narrow and is dominated by Government entities. Each of the Centre's nine business areas will continually strive to identify new market opportunities.
- The Centre needs to utilise the scope of its expertise across business areas to secure more medium and high-value customers who see worth in developing long-term relationships with the Centre.
- In order to maintain its relevance and reputation, the Centre must continually innovate through applied research and development. The Centre must maintain its capability in order to meet its mandated responsibilities, such as responses to hazardous chemical and biological emergencies. To create a service advantage in key fields, it must ensure that the methods it offers to clients are at the 'cutting edge' and delivered in the most efficient and cost-effective manner possible. This will require continual effort to identify ways to enhance services to meet mandated responsibilities and commercial opportunities, continually updating value propositions and marketing plans, and implementing them.
- Through its long history of service delivery for key areas of the Western Australian Government and its economy, the Centre has developed considerable expertise in certain core areas. There is the potential to develop these into world class facilities, which will not only benefit the State, but also leverage a considerable commercial advantage to the Centre. This will require considerable work to identify and cost the resources required for adopted core areas, develop their business plans and implement them.

Outcomes and Key Effectiveness Indicators ^(a)

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Outcome: Quality scientific advice:					
Client satisfaction	83%	80%	80%	80%	
Proficiency rating	94%	95%	95%	95%	
Outcome: Quality research and development:					
Aggregate value of ChemCentre components	49/51	60/40	60/40	60/40	
Quality of research and development	80%	80%	80%	80%	
Outcome: Quality emergency response:					
Average resolution time	3 hours	2.4 hours	4 hours	4 hours	

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

Services and Key Efficiency Indicators

1: Commercial and Scientific Information and Advice

To develop and deliver scientific information and advice, on a commercial basis, to government, industry and the community.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	19,227	14,227	19,270	20,108	
Less Income.....	11,995	8,656	13,475	14,654	
Net Cost of Service	7,232	5,571	5,795	5,454	
Employees (Full Time Equivalents)	90	90	90	90	
Efficiency Indicators					
Billable Hours	91,274	96,600	96,600	101,400	
Average Cost per Chargeable Hour.....	\$211	\$147	\$199	\$198	

2: Research and Development

Project-based development of knowledge, know-how and/or Intellectual Property relevant to State development, public health and safety, or the delivery of the Centre's other services.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	1,658	1,753	1,700	1,785	
Less Income.....	212	-	842	884	
Net Cost of Service	1,446	1,753	858	901	
Employees (Full Time Equivalents)	20	20	20	20	
Efficiency Indicators					
Billable Hours	7,421	9,000	7,500	7,500	
Average Cost per Chargeable Hour.....	\$223	\$195	\$227	\$238	

3: Emergency Response Management

To provide special technical advice and support to government, other government agencies and industry in managing the risks arising from unmanaged chemical-biological-radiological releases.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	999	1,039	1,050	1,103	
Less Income.....	-	-	-	-	
Net Cost of Service	999	1,039	1,050	1,103	
Employees (Full Time Equivalents)	6	6	6	6	
Efficiency Indicators					
Billable Hours	3,354	4,000	3,500	3,500	
Average Cost per Chargeable Hours	\$298	\$259	\$300	\$315	

ASSET INVESTMENT PROGRAM

The Centre's Asset Investment Program is limited to the ongoing replacement and acquisition of scientific equipment that supports the delivery of its services.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COMPLETED WORKS							
Asset Acquisition Program							
New Scientific Equipment - 2010-11 Program.....	1,807	1,807	1,807	-	-	-	-
Asset Replacement Program							
Scientific Equipment - 2010-11 Program	405	405	405	-	-	-	-
NEW WORKS							
Asset Acquisition Program							
New Scientific Equipment							
2011-12 Program	195	-	-	195	-	-	-
2012-13 Program	195	-	-	-	195	-	-
2013-14 Program	195	-	-	-	-	195	-
2014-15 Program	195	-	-	-	-	-	195
Asset Replacement Program							
Scientific Equipment							
2011-12 Program	405	-	-	405	-	-	-
2012-13 Program	405	-	-	-	405	-	-
2013-14 Program	405	-	-	-	-	405	-
2014-15 Program	405	-	-	-	-	-	405
Total Cost of Asset Investment Program.....	4,612	2,212	2,212	600	600	600	600
FUNDED BY							
Capital Appropriation.....			195	195	195	195	195
Drawdowns from the Holding Account.....			405	405	405	405	405
Internal Funds and Balances.....			1,612	-	-	-	-
Total Funding			2,212	600	600	600	600

FINANCIAL STATEMENTS

Income Statement

Expenses

The Income Statement shows an estimated increase in the 2011-12 Total Cost of Services of \$976,000 (4.4%) when compared to the 2010-11 Estimated Actual. This increase is mainly attributable to salary increases, and staff commencing part way through the previous year being employed for a full year in 2011-2012.

Income

Total income is estimated to be \$24.1 million for 2011-12. This represents an increase of \$402,000 (1.7%) compared to the 2010-11 Estimated Actual. The increase is mainly attributable to a \$1.2 million (8.5%) increase in revenue generated from fee-for-service activities. Revenue from fee-for-service activities is expected to increase steadily in the forward estimates period.

Statement of Financial Position

The Centre's net asset position (Total Equity) is expected to increase by \$982,000 between the 2010-11 Estimated Actual and the 2011-12 Budget, reflecting the anticipated surplus for the period. This is mainly shown by an increase in cash and debtors, partially offset by sundry increases in liabilities and provisions.

Statement of Cashflows

The 2011-12 closing cash assets balance of \$4.3 million represents an increase of \$829,000 in comparison to the 2010-11 Estimated Actual. The increase is attributable to the surplus predicted for the year.

INCOME STATEMENT ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	11,264	7,137	10,480	11,475	12,515	13,646	14,935
Supplies and services	3,035	3,414	4,570	4,507	4,624	4,761	4,883
Accommodation	4,564	5,868	5,206	5,210	5,214	5,218	5,222
Depreciation and amortisation	1,114	600	994	1,284	1,284	1,284	1,284
Other expenses	1,907	-	770	520	564	612	794
TOTAL COST OF SERVICES	21,884	17,019	22,020	22,996	24,201	25,521	27,118
Income							
Sale of goods and services	12,207	8,656	14,317	15,538	16,857	18,292	19,931
Total Income	12,207	8,656	14,317	15,538	16,857	18,292	19,931
NET COST OF SERVICES	9,677	8,363	7,703	7,458	7,344	7,229	7,187
INCOME FROM STATE GOVERNMENT							
Service appropriations	7,534	9,511	9,402	8,583	8,702	8,884	9,020
TOTAL INCOME FROM STATE GOVERNMENT	7,534	9,511	9,402	8,583	8,702	8,884	9,020
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(2,143)	1,148	1,699	1,125	1,358	1,655	1,833
Income tax benefit/(expense)	306	-	(484)	(338)	(407)	(497)	(550)
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	(1,837)	1,148	1,215	787	951	1,158	1,283

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

(b) The Full Time Equivalents (FTEs) for 2009-10 Actual, 2010-11 Estimated Actual and 2011-12 Estimates are 116, 116 and 116 respectively. In some cases the figures for 2009-10 and 2010-11 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	1,851	5,509	3,936	5,020	7,127	9,401	12,011
Holding account receivables.....	405	405	405	405	405	405	-
Receivables	2,381	1,715	2,325	2,674	3,075	3,629	4,282
Other.....	134	84	134	84	84	84	84
Total current assets.....	4,771	7,713	6,800	8,183	10,691	13,519	16,377
NON-CURRENT ASSETS							
Holding account receivables.....	170	365	365	560	755	950	1,550
Property, plant and equipment.....	3,235	3,626	1,768	1,912	1,253	906	416
Intangibles	690	775	541	461	381	302	222
Restricted cash.....	81	81	81	81	81	81	81
Other.....	909	603	909	594	594	594	594
Total non-current assets	5,085	5,450	3,664	3,608	3,064	2,833	2,863
TOTAL ASSETS.....	9,856	13,163	10,464	11,791	13,755	16,352	19,240
CURRENT LIABILITIES							
Employee provisions	1,921	1,375	2,025	2,228	2,562	3,023	3,567
Payables.....	2,005	1,961	850	984	1,005	1,156	1,330
Other.....	2,153	2,383	1,439	1,439	1,656	1,954	2,305
Total current liabilities	6,079	5,719	4,314	4,651	5,223	6,133	7,202
NON-CURRENT LIABILITIES							
Employee provisions	548	465	1,027	1,181	1,358	1,602	1,890
Other.....	19	19	503	357	426	516	569
Total non-current liabilities	567	484	1,530	1,538	1,784	2,118	2,459
TOTAL LIABILITIES	6,646	6,203	5,844	6,189	7,007	8,251	9,661
EQUITY							
Contributed equity.....	3,848	4,043	4,043	4,238	4,433	4,628	4,823
Accumulated surplus/(deficit)	(638)	2,917	577	1,364	2,315	3,473	4,756
Total equity.....	3,210	6,960	4,620	5,602	6,748	8,101	9,579
TOTAL LIABILITIES AND EQUITY	9,856	13,163	10,464	11,791	13,755	16,352	19,240

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	6,934	8,911	8,802	7,983	8,102	8,284	8,420
Capital appropriation	195	195	195	195	195	195	195
Holding account drawdowns	628	405	405	405	405	405	405
Net cash provided by State Government	7,757	9,511	9,402	8,583	8,702	8,884	9,020
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(10,233)	(7,137)	(10,480)	(11,475)	(12,515)	(13,646)	(14,935)
Supplies and services	(2,242)	(2,954)	(2,192)	(4,142)	(3,590)	(3,420)	(3,105)
Accommodation	(270)	(1,488)	(994)	(998)	(1,002)	(1,006)	(1,010)
Other payments	(7,624)	(4,380)	(5,838)	(5,216)	(5,114)	(5,231)	(5,503)
Receipts							
Sale of goods and services	10,115	8,656	14,399	14,932	16,226	17,293	18,743
GST receipts	1,211	-	-	-	-	-	-
Net cash from operating activities	(9,043)	(7,303)	(5,105)	(6,899)	(5,995)	(6,010)	(5,810)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(861)	(600)	(2,212)	(600)	(600)	(600)	(600)
Other payments	-	(460)	(255)	(255)	(255)	(255)	(255)
Net cash from investing activities	(861)	(1,060)	(2,467)	(855)	(855)	(855)	(855)
CASHFLOWS FROM FINANCING ACTIVITIES							
Net cash from financing activities	-	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	(2,147)	1,148	1,830	829	1,852	2,019	2,355
Cash assets at the beginning of the reporting period	3,791	4,442	1,644	3,474	4,303	6,155	8,174
Cash assets at the end of the reporting period	1,644	5,590	3,474	4,303	6,155	8,174	10,529

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

Part 12

Minister for Energy; Training and Workforce Development; Indigenous Affairs

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2010-11 Budget \$' 000	2010-11 Estimated Actual \$' 000	2011-12 Budget Estimate \$' 000
603	Office of Energy			
	- Delivery of Services.....	53,511	32,740	52,704
	Total	53,511	32,740	52,704
621	Training and Workforce Development			
	- Delivery of Services.....	426,008	427,830	472,284
	- Capital Appropriation.....	32,432	27,901	22,086
	Total	458,440	455,731	494,370
636	Indigenous Affairs			
	- Delivery of Services.....	30,351	31,700	36,020
	Total	30,351	31,700	36,020
GRAND TOTAL				
	- Delivery of Services.....	509,870	492,270	561,008
	- Capital Appropriation.....	32,432	27,901	22,086
	Total.....	542,302	520,171	583,094

OFFICE OF ENERGY

PART 12 - MINISTER FOR ENERGY; TRAINING AND WORKFORCE DEVELOPMENT; INDIGENOUS AFFAIRS

DIVISION 52

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 83 Net amount appropriated to deliver services	34,196	53,232	32,461	52,415	45,222	34,996	30,873
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975.....	270	279	279	289	298	300	306
Total appropriations provided to deliver services	34,466	53,511	32,740	52,704	45,520	35,296	31,179
TOTAL APPROPRIATIONS	34,466	53,511	32,740	52,704	45,520	35,296	31,179
EXPENSES							
Total Cost of Services	43,634	71,281	50,217	53,514	46,163	35,847	34,626
Net Cost of Services ^(a)	27,140	54,015	32,951	53,169	45,818	35,502	34,281
CASH ASSETS ^(b)	13,592	5,695	13,856	13,586	13,483	13,358	10,380

(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 SPENDING CHANGES

Details of major decisions impacting on the agency's Income Statement since publication of the 2010-11 Budget to Parliament on 20 May 2010 are outlined below.

	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Corporate Support	-	225	233	241	250
Electricity Network Access Code.....	-	300	200	-	-
Mid West Solar Project	(5,000)	(5,000)	-	-	-
State Underground Power Project	-	-	-	-	(5,000)
Western Australian Council of Social Services Consumer Essentials Project	-	260	260	-	-

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
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 sustainable, efficient, secure and competitive energy sector.	1. Development and Implementation of Energy Policy and Programs

Service Summary

Expense	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
1. Development and Implementation of Energy Policy and Programs.....	43,634	71,281	50,217	53,514	46,163	35,847	34,626
Total Cost of Services.....	43,634	71,281	50,217	53,514	46,163	35,847	34,626

Significant Issues Impacting the Agency

- Energy prices need to continue to rise to better reflect the full costs of supply. Prior to increases that took effect in 2009, residential electricity prices had not increased since 1997 while small business prices had not increased since 1992 (with the exception of the goods and services tax). Increasing energy prices makes it difficult for those in financial hardship. The Government is implementing a range of measures to assist families in hardship due to increased energy prices and is investigating the potential for alternative tariff and concession structures that improve energy affordability and efficiently allocate electricity system costs.
- National energy and climate change policies, including the proposed carbon price mechanism, have the potential to impact future State investments in energy infrastructure and energy prices. The Government is participating in the implementation of the National Strategy on Energy Efficiency to help ensure a nationally consistent, coordinated approach to improving energy efficiency and thus the productivity of the Australian economy, and to ensure that Western Australian interests are represented.
- In order to support energy policy development, the Government is establishing a clear policy decision making framework. The Government's 'Strategic Energy Initiative: Energy 2031' will provide a 20 year vision for a secure, reliable, competitive and cleaner energy supply in Western Australia. 'Energy 2031' will be finalised in the second half of 2011, providing clarity of direction in the energy sector and a context for decision-making.

- Energy supply disruptions can have substantial economic, industrial and community impacts. The Office of Energy, working with relevant industry and government agency stakeholders, is leading the implementation of actions approved by the Government to improve the management and mitigation of significant gas and liquid fuel supply disruptions in Western Australia.
- A cleaner energy future is vital to the State's economy. The Office of Energy is providing the Government with advice on possible ways to achieve greater deployment of renewable energy and more efficient use of energy and energy infrastructure to achieve a cleaner energy future for Western Australia.
- The electricity market in Western Australia is evolving and the Office of Energy is working to assist the continuing development of the market. In particular, this includes work on a number of legislated reviews of the electricity market, including on the Electricity Industry Metering Code, the restriction on Verve Energy from retailing electricity and the prohibition on Synergy from generating electricity, the Electricity Networks Access Code and electricity contestability arrangements. Taking action on the outcomes of these reviews will lead to a more mature electricity market in Western Australia.
- The State Governments Underground Power Program will continue to roll-out with the completion of projects in Attadale South, Bentley East, Salter Point, Lathlain North and Lathlain South and the commencement of projects in Ashfield and Coolbellup East.

Outcomes and Key Effectiveness Indicators ^(a)

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Outcome: A sustainable, efficient, secure and competitive energy sector:					
The extent to which policy and program development objectives for the year are achieved.....	79%	100%	70%	100%	1
Kilowatt hours displaced.....	143,729,548	24,563,500	21,145,017	16,937,368	2
Kilowatt hours avoided	285,774	162,200	45,688	-	3
Percentage of Perth metropolitan homes serviced with underground power.....	51%	51.5%	52%	53.5%	

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

Explanation of Significant Movements

(Notes)

1. Some initiatives were delayed and not completed during the year, thus reducing the effectiveness indicator. These include implementing and reviewing the State Underground Power Program, developing an online renewable energy map, obtaining Cabinet approval to draft and print the Energy Legislation Amendments Bill, various amendments to the *Dampier to Bunbury Pipeline Act 1997* and finalising the Strategic Energy Initiative.
2. The variation in the estimated actual is due to a decline in the total number of clean energy incentive applications expected for 2010-11, affecting the total kilowatt hours displaced. Total kilowatt hours displaced will be lower in 2011-12 due to program closures.
3. The variation in estimated actual is due to a lower than expected take up of energy efficiency incentive applications, affecting the total kilowatt hours avoided. No target has been set for 2011-12 due to the closure of the relevant program.

Services and Key Efficiency Indicators

1: Development and Implementation of Energy Policy and Programs

The delivery of energy policy and programs that enable the Office of Energy to perform its role as a change agent leading development and implementation of policy to meet the State's energy needs.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	43,634	71,281	50,217	53,514	1
Less Income.....	16,494	17,266	17,266	345	2
Net Cost of Service	27,140	54,015	32,951	53,169	
Employees (Full Time Equivalents)	72	90	91	91	
Efficiency Indicators					
Average Cost of Routine Policy and Program Tasks.....	\$2,874	\$4,000	\$4,455	\$4,400	
Average Cost of Policy Projects and Programs.....	\$56,856	\$70,000	\$94,861	\$90,000	3
Average Cost of Processing Sustainable Energy Incentive Applications	\$205	\$1,000	\$202	\$210	4

Explanation of Significant Movements

(Notes)

1. The 2010-11 Estimated Actual is significantly less than the 2010-11 Budget as a result of the reallocation of project funding from 2010-11 to the forward estimate years.
2. The Office's FTE ceiling of 91 is now in train for full utilisation as the Office has projects coming on stream and strategies are in place for recruitment to available positions. Previously, recruitment and market conditions had prevented full utilisation of the Office's staff resources.
3. There has been a modest drop in the number of policy projects and programs from 150 in the 2009-10 year to an estimated 129 in the 2010-11 year. This drop, together with the variability in the effort required to complete policy projects, accounts for the increased average cost. It is expected to continue at these average cost levels in the coming year.
4. The 2010-11 Estimated Actual average cost of incentive applications is comparable with the 2009-10 Actual but significantly less than the 2010-11 Budget. This is due to the 2010-11 operating cost of the program being significantly less than the expected budget, resulting in large part from the transfer of funding for the Mid West Solar Project to Verve Energy, who will be implementing the project. The Estimated Actual is based on 24% more applications being processed resulting in a reduction in the estimated average cost.

ASSET INVESTMENT PROGRAM

An information technology hardware and software replacement program is maintained to support the delivery of services.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COMPLETED WORKS							
Computer Hardware and Software Replacement							
2010-11 Program.....	310	310	310	-	-	-	-
NEW WORKS							
Computer Hardware and Software Replacement							
2011-12 Program.....	250	-	-	250	-	-	-
2012-13 Program.....	240	-	-	-	240	-	-
2013-14 Program.....	240	-	-	-	-	240	-
2014-15 Program.....	290	-	-	-	-	-	290
Total Cost of Asset Investment Program.....	1,330	310	310	250	240	240	290
FUNDED BY							
Drawdowns from the Holding Account.....			100	250	240	240	290
Internal Funds and Balances.....			210	-	-	-	-
Total Funding			310	250	240	240	290

FINANCIAL STATEMENTS**Income Statement***Expenses*

The decrease in the 2010-11 Estimated Actual as compared to the 2010-11 Budget is due in the main to the transfer of funding for the Mid West Solar project and the reallocation of funding for other projects from 2010-11 to the forward estimate years.

Income

The reduction in income in the 2011-12 Budget and forward estimates is associated with the cessation of the Commonwealth Government funded Remote Renewable Power Generation Program.

Statement of Financial Position

The increase in the 2010-11 Estimated Actual net asset position (total equity) in comparison to the 2010-11 Budget is due mainly to the increase in cash assets held at the end of the 2009-10 financial year.

Statement of Cashflows

The 2010-11 Estimated Actual Cashflows from State Government is significantly less than the 2010-11 Budget. This is due to changes in cashflow requirements for a number of projects from 2010-11 to the forward estimates and the transfer of funding for the Mid West Solar project.

INCOME STATEMENT ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	8,151	10,471	10,154	11,476	10,420	9,789	10,230
Grants and subsidies ^(c)	23,982	48,918	33,518	37,002	25,890	16,290	14,070
Supplies and services	9,743	9,297	3,950	2,628	7,460	7,362	7,727
Accommodation	893	1,060	1,060	1,235	1,342	1,416	1,539
Depreciation and amortisation	74	191	191	191	180	180	187
Other expenses	791	1,344	1,344	982	871	810	873
TOTAL COST OF SERVICES	43,634	71,281	50,217	53,514	46,163	35,847	34,626
Income							
Grants and subsidies	16,266	16,921	16,921	-	-	-	-
Other revenue	228	345	345	345	345	345	345
Total Income	16,494	17,266	17,266	345	345	345	345
NET COST OF SERVICES	27,140	54,015	32,951	53,169	45,818	35,502	34,281
INCOME FROM STATE GOVERNMENT							
Service appropriations	34,466	53,511	32,740	52,704	45,520	35,296	31,179
Resources received free of charge	141	60	60	70	70	70	75
Royalties for regions fund ^(d)	125	125	125	125	125	-	-
TOTAL INCOME FROM STATE GOVERNMENT	34,732	53,696	32,925	52,899	45,715	35,366	31,254
SURPLUS/(DEFICIENCY) FOR THE PERIOD	7,592	(319)	(26)	(270)	(103)	(136)	(3,027)
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	7,592	(319)	(26)	(270)	(103)	(136)	(3,027)

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

(b) The Full Time Equivalents (FTEs) for 2009-10 Actual, 2010-11 Estimated Actual and 2011-12 Estimates are 72, 91 and 91 respectively. In some cases the figures for 2009-10 and 2010-11 may differ from previously published figures due to changes in calculation methodology.

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

(d) Regional Infrastructure and Headworks Fund - \$0.1 million (2009-10), \$0.1 million (2010-11), \$0.1 million (2010-11 Estimated Out Turn), \$0.1 million (2011-12), \$0.1 million (2012-13), \$0 (2013-14), \$0 (2014-15).

Details of Controlled Grants and Subsidies

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Commonwealth Specific Purpose Renewable Energy Funds - Renewable Remote Power Generation Program and Photovoltaic Rebate Program	13,623	16,421	16,421	-	-	-	-
Contribution to Australian Energy Market Commission.....	-	85	85	85	85	85	85
Contribution to Ministerial Council on Energy ...	528	150	150	150	150	150	150
Energy Smart Government Facilitation Grants ...	128	-	-	-	-	-	-
Hardship Efficiency Package	500	16,240	4,340	11,410	13,575	11,235	13,835
Household Renewable Energy Scheme	1,351	3,130	3,130	6,777	-	-	-
Other Grants, Subsidies and Transfer Payments	23	-	-	-	-	-	-
Renewable Energy Production Subsidy	486	-	-	-	-	-	-
SEDO Grants.....	314	-	-	-	-	-	-
Solar Hot Water Heater Incentive Scheme	1,698	3,000	2,000	3,000	2,000	-	-
Solar Schools Program	511	5,072	2,572	5,500	-	-	-
State's contribution to the Underground Power Project	4,820	4,820	4,820	9,820	9,820	4,820	-
Western Australian Council of Social Services Consumer Essentials Project	-	-	-	260	260	-	-
TOTAL.....	23,982	48,918	33,518	37,002	25,890	16,290	14,070

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	13,060	5,560	13,692	13,422	13,319	13,194	10,211
Restricted cash.....	388	-	-	-	-	-	-
Holding account receivables.....	242	242	282	272	272	272	203
Receivables	6,193	887	5,645	5,612	5,589	5,528	5,528
Total current assets.....	19,883	6,689	19,619	19,306	19,180	18,994	15,942
NON-CURRENT ASSETS							
Holding account receivables.....	735	647	850	801	733	665	566
Property, plant and equipment.....	232	449	351	410	470	530	633
Restricted cash.....	144	135	164	164	164	164	169
Other.....	333	230	195	90	16	-	-
Total non-current assets	1,444	1,461	1,560	1,465	1,383	1,359	1,368
TOTAL ASSETS.....	21,327	8,150	21,179	20,771	20,563	20,353	17,310
CURRENT LIABILITIES							
Employee provisions	1,207	839	1,227	1,227	1,227	1,227	1,227
Payables.....	9,802	764	9,802	9,802	9,802	9,802	9,802
Other.....	626	5,455	440	302	197	123	107
Total current liabilities	11,635	7,058	11,469	11,331	11,226	11,152	11,136
NON-CURRENT LIABILITIES							
Employee provisions	438	477	482	482	482	482	482
Other.....	8	7	8	8	8	8	8
Total non-current liabilities	446	484	490	490	490	490	490
TOTAL LIABILITIES	12,081	7,542	11,959	11,821	11,716	11,642	11,626
EQUITY							
Contributed equity.....	-	1,305	-	-	-	-	-
Accumulated surplus/(deficit)	10,941	2,303	10,915	10,645	10,542	10,406	7,379
Other.....	(1,695)	(3,000)	(1,695)	(1,695)	(1,695)	(1,695)	(1,695)
Total equity.....	9,246	608	9,220	8,950	8,847	8,711	5,684
TOTAL LIABILITIES AND EQUITY	21,327	8,150	21,179	20,771	20,563	20,353	17,310

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	34,145	53,320	32,485	52,513	45,340	35,116	31,057
Holding account drawdowns	226	310	100	250	240	240	290
Royalties for regions fund ^(b)	125	125	125	125	125	-	-
Net cash provided by State Government.....	34,496	53,755	32,710	52,888	45,705	35,356	31,347
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(7,609)	(10,407)	(10,090)	(11,476)	(10,420)	(9,783)	(10,223)
Grants and subsidies	(20,747)	(48,918)	(33,518)	(37,002)	(25,890)	(16,290)	(14,070)
Supplies and services.....	(7,939)	(9,050)	(3,987)	(2,273)	(7,106)	(6,992)	(7,362)
Accommodation	(811)	(1,060)	(1,060)	(1,235)	(1,342)	(1,366)	(1,487)
Repayment of equity contribution	(3,000)	-	-	-	-	-	-
Other payments	(3,067)	(1,605)	(1,605)	(1,624)	(1,513)	(1,513)	(1,596)
Receipts							
Grants and subsidies	11,494	17,421	17,421	-	-	-	-
GST receipts	912	358	358	358	358	358	358
Other receipts	349	345	345	345	345	345	345
Net cash from operating activities.....	(30,418)	(52,916)	(32,136)	(52,907)	(45,568)	(35,241)	(34,035)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(16)	(310)	(310)	(250)	(240)	(240)	(290)
Net cash from investing activities.....	(16)	(310)	(310)	(250)	(240)	(240)	(290)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings	(542)	(144)	(186)	(109)	(105)	(74)	(16)
Other proceeds.....	541	(140)	186	108	105	74	16
Net cash from financing activities	(1)	(284)	-	(1)	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	4,061	245	264	(270)	(103)	(125)	(2,978)
Cash assets at the beginning of the reporting period	9,531	5,450	13,592	13,856	13,586	13,483	13,358
Cash assets at the end of the reporting period	13,592	5,695	13,856	13,586	13,483	13,358	10,380

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

(b) Regional Infrastructure and Headworks Fund - \$0.1 million (2009-10), \$0.1 million (2010-11), \$0.1 million (2010-11 Estimated Out Turn), \$0.1 million (2011-12), \$0.1 million (2012-13), \$0 (2013-14), \$0 (2014-15).

AGENCY SPECIAL PURPOSE ACCOUNT DETAILS

Commonwealth Funded Initiatives and Programs Special Purpose Account

The purpose of this Special Purpose Account is to hold funds provided by the Commonwealth Government for the purpose of providing rebates under various programs undertaken in partnership with the Office of Energy and for the purpose of conducting any other programs that assist the implementation of energy efficiency initiatives throughout Western Australia.

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000
Opening Balance	1,293	793	273	-
Receipts:				
Other ^(a)	10,793	17,421	17,421	-
	12,086	18,214	17,694	-
Payments	11,813	18,214	17,694	-
CLOSING BALANCE.....	273	-	-	-

(a) Adjustment made to 2009–10 Actual for prior period errors in payments.

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:

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Contribution to Government Vehicle Scheme.....	12	12	12	12	13	13	13
Grants from Commonwealth (Renewable Remote Power Generation Program and Photovoltaic Rebate Program).....	11,494	17,421	17,421	-	-	-	-
GST Input Credit.....	912	358	358	358	358	358	358
Other Revenue.....	109	105	105	105	107	107	107
Recoup of Program Costs.....	228	228	228	228	225	225	225
TOTAL.....	12,755	18,124	18,124	703	703	703	703

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

INDEPENDENT MARKET OPERATOR

ASSET INVESTMENT PROGRAM

Provisions for the Wholesale Electricity Market (WEM) system include \$4.1 million in 2010-11 and \$3.8 million in 2011-12 to deliver the Market Evolution Program (MEP), an initiative being undertaken on behalf of industry to improve the WEM. The MEP initiative will enable the WEM to provide more up-to-date, real-time pricing outcomes for the operation of the short-term electricity market and targeted reserve capacity refunds.

The additional expenditure in 2010-11 and 2011-12 is offset by a saving of \$540,000 in 2012-13 representing incremental improvements to the WEM system which will no longer be required.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
Wholesale Electricity Market System	24,547	18,049	6,237	5,393	1,105	-	-
Infrastructure Upgrade	340	170	170	-	-	170	-
Standard Operating Environmental Upgrade.....	100	50	50	-	-	-	50
NEW WORKS							
Accounting System	200	-	-	100	-	-	100
Document Management System.....	340	-	-	170	-	-	170
Enterprise Monitoring Solution	150	-	-	75	-	-	75
Office Refurbishment	825	-	-	825	-	-	-
Total Cost of Asset Investment Program.....	26,502	18,269	6,457	6,563	1,105	170	395
FUNDED BY							
Borrowings			5,972	6,563	1,105	170	395
Internal Funds and Balances.....			485	-	-	-	-
Total Funding			6,457	6,563	1,105	170	395

HORIZON POWER

ASSET INVESTMENT PROGRAM

Over the Budget and Forward Estimates Horizon Power will invest \$339.9 million on asset investment in regional areas of Western Australia. These works will ensure compliance with statutory and regulatory obligations and improve the safety, adequacy, reliability and quality of electricity supplies for customers in regional and remote areas of the State.

Asset Management Plan

Over the Forward Estimates Horizon Power will invest an additional \$44.8 million in mitigating identified high and extreme risks to ensure it meets statutory and regulatory obligations for its Distribution Systems across regional Western Australia, primarily in Esperance, Broome, Gascoyne, Kununurra, Karratha and Port Hedland.

Distribution

Across the period Horizon Power will invest \$108.9 million in its electricity distribution networks, comprising:

- \$31.8 million for Network Enhancements to ensure the regions have adequate network capacity and meet regulated technical compliance requirements. Major projects include:
 - \$16.8 million for a new substation and upgrades to feeder capacity in Broome to meet forecast demand; and
 - \$15.0 million for required network capacity upgrades in Esperance, Cue, Port Hedland, Kununurra and Wyndham with the remainder spread across various projects in Horizon Power's areas of operation;
- \$31.6 million on the replacement of assets that have reached the end of their economic life;
- \$12.4 million on customer driven works, such as new connections and other customer funded works; and
- \$33.0 million on safety compliance projects, which includes pole replacement and reinforcements, replacement of overhead connections and addressing other safety issues in regions including Broome, Carnarvon, Esperance and Karratha.

Major Projects

Horizon Power has commenced the redevelopment of the Carnarvon Power Station, which will achieve compliance with Environmental Regulations, improve the town's reliability and provide generation capacity for future growth. This project will be completed in stages to extract the maximum benefit from the existing station. A further \$63.0 million will be invested in completing this redevelopment.

Over the Forward Estimates, Horizon Power will invest a further \$68.5 million in the Pilbara Underground Power Project, which will underground the power systems in Karratha, South Hedland, Onslow and the remainder of Roebourne. This program will provide the cyclone-prone towns with a safe and reliable power supply, while reducing operating costs. The total project is funded by a \$100.0 million contribution from the Royalties for Regions Regional Infrastructure and Headworks fund, with a \$30.0 million contribution from local governments.

Other Works

Other capital works over the period totalling \$20.2 million are as follows:

- \$12.7 million on upgrading service centres and staff housing to enable Horizon Power to deliver its works programs and provide a regional customer service presence; and
- \$7.5 million for operational vehicle fleet replacements.

Regularisation

Horizon Power will complete its multi-year investment of \$26.5 million to regularise power supply in two remote communities, Kalumburu and Yungngora, in regional Western Australia. Over the Forward Estimates a further \$15.4 million will be invested in these communities.

New Works

Horizon Power is undertaking a major program to renew and transform its Information Technology Business Investments. This program will provide the core Information Technology investments for Horizon Power to efficiently manage its generation, transmission, distribution, retail and internal support assets, whilst reducing business support operating costs and streamlining business processes to produce more effective outcomes for Horizon Power customers. Over the period a total of \$19.1 million will be invested.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
Asset Management Plan							
Asset Replacement	4,250	2	2	3,008	1,240	-	-
Network Enhancement	13,546	4,185	4,185	4,433	4,928	-	-
Safety	39,375	8,229	8,229	18,185	12,961	-	-
Distribution							
Asset Replacement	68,796	37,194	15,601	15,475	11,919	664	3,544
Network Enhancement	142,477	110,636	8,747	6,141	7,065	14,156	4,479
New Connections - Customer Driven, New Capacity	78,934	66,519	10,083	2,848	4,218	1,963	3,386
Overhead Customer Connections - Customer Driven, Public Safety.....	81,789	48,775	11,231	12,617	11,938	2,973	5,486
Major Projects							
Carnarvon Power Station Redevelopment	79,741	16,707	8,891	55,692	4,387	2,955	-
Pilbara Underground Power Project	130,000	61,500	50,000	60,500	8,000	-	-
Other Works							
Mobile Plant and Operational Fleet	17,404	9,858	2,462	2,839	1,797	2,910	-
Other Projects	71,947	59,272	2,668	3,282	2,833	1,750	4,810
Regularisation							
Aboriginal and Remote Communities Power Supply Phase 2.....	26,505	11,103	7,968	15,402	-	-	-
COMPLETED WORKS							
Asset Management Plan							
Customer Driven	423	423	423	-	-	-	-
Other Projects	14,453	14,453	14,453	-	-	-	-
Major Projects							
Nullagine and Marble Bar Power Station Refurbishment....	39,313	39,313	5,403	-	-	-	-
Other Works							
Supervisor Control and Data Acquisitions Network.....	5,369	5,369	585	-	-	-	-
NEW WORKS							
Other Works							
Information Technology Business Investment	19,096	-	-	9,714	4,509	2,424	2,449
Total Cost of Asset Investment Program.....	833,418	493,538	150,931	210,136	75,795	29,795	24,154
FUNDED BY							
Equity Contributions			-	15,402	-	-	-
Borrowings			39,548	188,550	83,300	23,843	18,575
Internal Funds and Balances.....			46,383	6,184	(7,505)	5,952	5,579
Drawdowns from Royalties for Regions Fund ^(a)			65,000	-	-	-	-
Total Funding			150,931	210,136	75,795	29,795	24,154

(a) Regional Infrastructure and Headworks Fund.

SYNERGY

ASSET INVESTMENT PROGRAM

The total asset investment program over the Budget and Forward Estimates of \$26.7 million principally relates to further development and enhancement of Synergy's information technology capability. Major expenditure centres around:

Customer Information and Billing Systems

An allocation of \$8.0 million has been made over the Budget and Forward Estimates. This system administers Synergy's relationships with its 950,000 customers. Expenditure principally relates to continuing upgrades to the system, to provide greater service and product offerings to customers, while allowing Synergy to reduce its overall operating costs.

Product and Software Development/System Enhancement

An allocation of \$16.1 million has been made over the Budget and Forward Estimates. Expenditure principally relates to the establishment of Synergy's stand-alone information technology environment (hardware and software).

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
Information Technology							
Customer Information and Billing System	48,795	37,795	6,000	1,000	1,000	3,000	3,000
Product and Software Development	11,500	4,500	1,000	1,000	1,000	1,000	1,000
System Enhancements	36,840	17,990	3,950	5,750	4,650	850	850
Wholesale Market Systems	4,737	2,437	300	500	300	300	300
Property, Plant and Equipment	14,894	12,794	300	300	300	300	300
Total Cost of Asset Investment Program	116,766	75,516	11,550	8,550	7,250	5,450	5,450
FUNDED BY							
Internal Funds and Balances			11,550	8,550	7,250	5,450	5,450
Total Funding			11,550	8,550	7,250	5,450	5,450

VERVE ENERGY

ASSET INVESTMENT PROGRAM

Verve Energy currently owns a portfolio of thermal generating stations and gas turbines utilising coal, gas and liquids as fuel sources, as well as some wind farms and photovoltaic generating systems. In addition, Verve Energy has Power Purchase Agreements with a number of Independent Power Producers.

Over the Budget and Forward Estimates Verve Energy will spend \$276.8 million on its asset investment program.

Fossil Fuel Plant Portfolio

An allocation of \$255.5 million has been made for works on Verve Energy's fossil fuel plant portfolio. Major items within this total include:

- \$88.9 million at Muja Power Station for various works to support reliability, efficiency and environmental targets;
- \$68.3 million, mainly for strategic spares at the Cockburn gas turbine and for maintenance works at the Pinjar and Mungarra gas turbines to improve the energy security and reliability of the South West Interconnected System; and
- \$21.7 million to complete the construction of two 100 megawatt high efficiency gas turbines to be commissioned in 2011-12.

Sustainable Energy

An allocation of \$21.3 million has been made to complete the construction of the Grasmere Wind Farm to be commissioned during 2011-12.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
Fossil Fuel Plant Portfolio.....	1,048,552	560,593	224,918	105,151	48,771	47,427	54,142
Sustainable Energy.....	62,415	41,090	17,282	21,325	-	-	-
Total Cost of Asset Investment Program.....	1,110,967	601,683	242,200	126,476	48,771	47,427	54,142
FUNDED BY							
Equity Contributions			150,508	31,362	-	-	-
Internal Funds and Balances.....			86,692	90,114	48,771	47,427	54,142
Drawdowns from Royalties for Regions Fund ^(a)			5,000	5,000	-	-	-
Total Funding			242,200	126,476	48,771	47,427	54,142

(a) Regional Infrastructure and Headworks Fund.

WESTERN POWER

ASSET INVESTMENT PROGRAM

Western Power's 2011-12 asset investment program is focused on improving public safety, the customer connection process, the ability of the network to meet increased customer demand and maintaining network reliability.

Transmission

For 2011-12 a total of \$127.4 million has been allocated to transmission works, with \$113.9 million for new capacity, asset replacement and public safety capital expenditure and \$13.0 million for customer driven works.

The \$13.5 million for customer driven transmission works includes connecting generators, supply to new bulk loads, system upgrades and augmentations. Partial funding of these works is provided by customer capital contributions. A key project is the connection of the 198MW high efficiency gas turbine upgrade to Kwinana Power Station.

Of the \$113.9 million invested in new transmission capacity, asset replacement and public safety programs, \$55.0 million will be spent on new capacity including works for a new substation at Balcatta. Additional transformers will also be installed at the existing Henley Brook, Marriot Road, Joondalup, Southern River and Waikiki substations.

Other transmission asset investment include \$23.0 million in asset replacement with major activities including replacing wood poles, circuit breakers, transformers, current transformers, surge arrestors and relays. A further \$14.0 million is allocated for substation safety upgrades and noise mitigation works. \$11.0 million has been allocated for Supervisor Control and Data Acquisitions Network and communications expenditure to improve the equipment linking the transmission system to assets and operational sites.

Distribution

A total of \$590.6 million in distribution asset investment will be spent in 2011-12 for capacity expansion and customer driven distribution infrastructure works, asset replacement, regulatory compliance, safety and reliability programs.

\$68.0 million will be spent on capacity expansion activities in 2011-12, including the rebuilding, upgrading and installation of new feeder lines, distribution works associated with transmission substation expenditure, installation of voltage regulators to improve constraints on long rural feeders with increasing load growth, and proactively replacing overloaded distribution transformers.

The range of works includes the upgrade to the distribution network in Rivervale, Victoria Park and Welshpool allowing for increased capacity in these high growth areas. In addition, the program allows for installation of increased capacity by both transmission and distribution in the Balcatta, Henley Brook, Waikiki and Southern River areas catering for increased demand. Other high profile projects include increased capacity to cater for new rural demand in areas such as Busselton, Bunbury and Kondinin and augmentation works in the Perth Central Business District to install extra ducts in line with the Northbridge Link and City Square projects to cater for future feeders.

As part of the State Government's commitment to cater for increasing demand by new and existing customers, \$230.3 million in customer driven works will be undertaken. This will support growth in demand for customer connections including single dwelling through to subdivisions for residential, commercial and industrial customers and additional street lighting.

Asset replacement expenditure of \$115.0 million includes pole and cross arm replacement, substation and transformer replacement, pole reinforcement, as well as replacement of street luminaries and cable boxes. \$82.0 million will be spent on regulatory compliance programs to improve safety, environmental impact, power quality, metering performance and bushfire management. \$14.0 million is included to supply meters to customers in accordance with customer charter requirements and to replace meters in response to the need to improve metering accuracy and condition. Reliability driven works are forecasted at \$15.0 million and Supervisor Control and Data Acquisitions Network and communications expenditure at \$4.0 million.

A number of initiatives under the Smart Grid Program will also be implemented, including smart meter infrastructure, energy conservation trials, and the second year of the Perth Solar City Program. The total budget allocation is \$30.0 million.

Government Initiative

State Underground Power Program expenditure will increase to \$42.0 million in 2011-12, including the suburbs of Attadale North and South, Bentley East, Lathlain North and South and Salters Point.

Mobile Plant, Motor Vehicle and Information Technology Replacement

\$70.0 million will be invested in Mobile Plant, Motor Vehicles and Information Technology (IT) work programs in 2011-12 with \$26.0 million allocated for fleet purchases and \$44.0 million for Information Technology strategic programs.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
Capitalised Borrowing Costs.....	66,316	34,520	9,076	8,587	7,894	7,431	7,884
Distribution							
Customer-Driven	1,955,656	1,089,556	235,650	230,317	205,716	206,901	223,166
New Capacity, Asset Replacement and Public Safety	2,513,375	1,187,451	265,817	360,331	316,658	319,667	329,268
Government Initiative							
State Underground Power Program	212,517	110,444	20,119	41,651	40,472	19,950	-
Mobile Plant, Motor Vehicle and IT Replacement	625,390	335,393	62,440	70,084	64,959	75,345	79,609
Transmission							
Customer Driven	616,503	561,129	44,248	13,475	16,619	12,223	13,057
Mid West Energy Project	325,000	10,800	4,700	-	-	-	-
New Capacity, Asset Replacement and Public Safety	1,196,977	773,403	99,292	113,887	99,995	100,965	108,727
NEW WORKS							
Government Initiative							
Perth Waterfront Works	15,000	-	-	-	-	-	15,000
Total Cost of Asset Investment Program.....	7,526,734	4,102,696	741,342	838,332	752,313	742,482	776,711
FUNDED BY							
Borrowings			406,766	567,260	385,550	387,362	413,701
Internal Funds and Balances.....			334,576	271,072	366,763	355,120	363,010
Total Funding			741,342	838,332	752,313	742,482	776,711

WESTERN POWER PROVISIONS

ASSET INVESTMENT PROGRAM

A provision of \$445.7 million has been made within the State Budget for allocation to a number of Western Power projects and programs of work. The provision for Customers Access Works will be transferred to Western Power's budget upon demonstration of contractual commitment to customers. The release of the provision for the Mid West Energy Project is subject to final regulatory approval and Government review of the business case. The remaining provisions represent a 20% reserve of total approved funding for specific programs of work and will be released upon the completion of a pre-New Facilities Investment Test determination conducted by the Economic Regulation Authority.

Customer Access Works

A provision of \$66.3 million for Customer Access Works has been provided for 2011-12. A key project will be the connection of Verve Energy's Mumbida Windfarm renewable energy project.

Mid West Energy Project

The proposed Mid West Energy Project comprises of a 200km double circuit 330kV transmission line from Pingar to Eneabba and a 132/330kV terminal at Three Springs. \$10.8 million has been drawn from the provision, reflecting Western Power's expenditure against the project.

Replacement of Overhead Customer Service Connections, Distribution Carriers and Bushfire Mitigation Works

This provision relates the delivery of programs designed to address public safety and the implementation of Western Power's bushfire mitigation strategy.

Targeted Reliability Works

Reliability works relate to the upgrade and augmentation of the network required to maintain performance and reliability of service.

Wood Pole Replacement and Reinforcement and Pole Top Replacement

Wood pole replacement and reinforcement is structured around a conditions based assessment regime central to the management of wood poles within the distribution overhead network.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
NEW WORKS							
Customer Access Works	94,800	-	-	66,300	28,500	-	-
Mid West Energy Project	325,000	-	-	50,300	206,800	53,400	3,700
Replacement of Overhead Customer Service Connections, Distribution Carriers and Bushfire Mitigation Works	13,600	-	-	13,600	-	-	-
Targeted Reliability Works	5,700	-	-	5,700	-	-	-
Wood Pole Replacement and Reinforcement and Pole Top Replacement	17,400	-	-	17,400	-	-	-
Total Cost of Asset Investment Program.....	456,500	-	-	153,300	235,300	53,400	3,700
FUNDED BY							
Borrowings			-	153,300	235,300	53,400	3,700
Total Funding			-	153,300	235,300	53,400	3,700

TRAINING AND WORKFORCE DEVELOPMENT

PART 12 - MINISTER FOR ENERGY; TRAINING AND WORKFORCE DEVELOPMENT; INDIGENOUS AFFAIRS

DIVISION 53

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2009-10 Actual ^(d) \$'000	2010-11 Budget ^(d) \$'000	2010-11 Estimated Actual ^(d) \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 84 Net amount appropriated to deliver services	268,747	425,680	425,680	469,550	409,840	425,402	436,808
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975 ^(a)	219	328	2,150	2,734	2,817	2,902	2,990
Total appropriations provided to deliver services	268,966	426,008	427,830	472,284	412,657	428,304	439,798
CAPITAL							
Item 147 Capital Appropriation.....	28,367	32,432	27,901	22,086	6,700	3,460	-
TOTAL APPROPRIATIONS	297,333	458,440	455,731	494,370	419,357	431,764	439,798
EXPENSES							
Total Cost of Services	442,839	663,634	695,767	758,287	604,948	620,549	635,734
Net Cost of Services ^(b)	277,345	421,755	433,709	495,125	401,615	412,890	428,632
CASH ASSETS ^(c)	81,963	27,993	62,928	52,079	39,805	40,194	40,594

- (a) Following a Salaries and Allowances Tribunal determination dated 21 March 2011, the Managing Directors of the State Training Providers are now remunerated under the *Salaries and Allowances Act 1975* resulting in the significant increase in 2010-11 Estimated Actual and the Forward Estimates.
- (b) 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.
- (c) As at 30 June each financial year.
- (d) The Department of Training and Workforce Development was established on 30 October 2009 as a result of Machinery of Government changes endorsed by Cabinet. The 2009-10 Actuals reflect the actual operating result from 30 October 2009 to 30 June 2010. The printed 2009-10 Estimated Actual as printed in the 2010-11 Budget Papers reflect a 12 month position and includes estimates for the period 1 July 2009 to 29 October 2009. The actual operating result for the period 1 July 2009 to 29 October 2009 can be found under Service Three: Vocational Education and Training in the Department of Education's Annual Report 2010. Please refer to the Reconciliation Table at the end of the financial statements for further information.

MAJOR SPENDING CHANGES

Details of major decisions impacting on the agency's Income Statement since publication of the 2010-11 Budget to Parliament on 20 May 2010 are outlined below.

	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Additional Training Places - Critical Skill Shortages	-	22,704	-	-	-
Additional Training Places - Increased Workforce Participation	-	10,700	-	-	-
Amalgamation of Vocational Training and Education Centre (VTEC)	8,285	14,000	14,158	14,534	14,869
Apprentice Kickstart Pre-Apprenticeship Program (Commonwealth Government)	3,480	-	-	-	-
Civil Service Association General Agreement	501	1,271	2,362	3,225	3,330
District Allowance General Agreement 2010	1,942	-	-	-	-
Education Investment Fund (Commonwealth Government)	11,000	13,119	-	-	-
Information and Communications Technology (ICT) State-wide Vocational Education and Training (VET) Sector Network	1,300	3,460	570	570	570
Royalties for Regions Skills Training Initiative - Recurrent	-	30,500	2,500	-	-
Skilled Migration Unit	-	1,442	1,485	1,530	1,575
Youth Attainment and Transitions (Commonwealth Government)	2,811	2,811	2,811	1,406	-

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
Results-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	A skilled workforce that meets the needs of Western Australia.	1. Institutional Based Training (IBT) 2. Employment Based Training (EBT)

Service Summary

Expense	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
1. Institutional Based Training (IBT)	343,386	489,893	528,497	590,803	469,504	481,539	494,364
2. Employment Based Training (EBT)	99,453	173,741	167,270	167,484	135,444	139,010	141,370
Total Cost of Services	442,839	663,634	695,767	758,287	604,948	620,549	635,734

Significant Issues Impacting the Agency

- A skilled workforce is essential to underpinning the State's economic growth. The Department is progressing a range of strategies and initiatives outlined in the recently released 'Skilling WA - A workforce development plan for Western Australia'. This includes the 'State Priority Occupations List', and implementing the 'Western Australian Skilled Migration Strategy' and the Memorandum of Understanding with the Commonwealth Government on the State sponsored visa program. This is being done in conjunction with other Government agencies, industry, employers, community organisations and the Commonwealth Government.
- The National Partnership on Productivity Places Program is due to expire on 30 June 2012. The State is in discussions with the Commonwealth Government in relation to the extension of the funding beyond the 2011-12 financial year. The State has made a significant growth commitment to training in anticipation of the period of sustained economic expansion that lies ahead. Continuation of the Productivity Places Program is essential for the State to capitalise on its own efforts into the future.
- Increasing the participation of Indigenous people in the workforce is a key component of the Government's strategy for workforce development and its commitment to closing the gap on employment outcomes experienced by Indigenous people. The Government will continue to progressively implement the Training Together Working Together strategy and work collaboratively with the Indigenous community, industry, government, employers and service providers to achieve employment outcomes for Indigenous jobseekers through its Perth and regional Aboriginal Workforce Development Centres.
- The training sector has been able to capitalise on new modalities around new ICT technologies. The capacity to deliver online and work-based training is critical to enable the State Training Providers to respond to the needs of business and industry. It is also essential to the development of an innovative, flexible and responsive training sector for Western Australia. The Department is implementing a new high-speed state-wide network and associated services to the training sector that will facilitate mobile learning and access, off-site and international training delivery, and improve the ability of the public training sector to be more responsive and competitive.

Outcomes and Key Effectiveness Indicators ^(a)

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Outcome: A skilled workforce that meets the needs of Western Australia:					
Employer satisfaction with the skill needs of their employees	87.2%	-	-	88.0%	1
Apprenticeship and traineeship training rate	2.3%	3.0%	2.6%	3.0%	2
Apprenticeship and traineeship completion rate.....	66.1%	57.0%	62.5%	63.0%	3
Graduate employment rate	78.9%	82.0%	78.9%	80.0%	4
Workforce Development rate	61.2%	-	65.6%	65.0%	5

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

Explanation of Significant Movements

(Notes)

1. Measurement of employer satisfaction enables comparisons of trends over time but is not measured every year as the survey is only conducted biennially. The survey was last conducted in 2009 and the satisfaction rating of 87.2% is shown as the 2009-10 Actual. It is not appropriate to set a 2010-11 Estimated Actual as this indicator is based on a biennial survey which will not be conducted until the end of 2011.

2. The training rate for apprenticeships and traineeships is the proportion of the working-age population with a registered contract of employment as an apprentice or trainee, and includes publicly and privately funded training places. It is anticipated that the training rate will increase in 2011-12 as a result of the Government's focus on responsive and flexible training options to meet the predicted skills shortage requirements of the State.
3. The apprenticeship and traineeship estimated actual completion rate for 2010-11 is calculated using the cohort of registered apprentices and trainees who commenced their contract for the first time in 2006. The decrease from 2009-10 Actual to 2010-11 Estimated Actual is due to strong economic conditions between 2005 and 2008 resulting in a higher level of attrition prior to completion.
4. The 2010-11 Estimated Actual of 78.9% is set at the same rate as 2009-10 Actual due to the downturn in employment opportunities in Western Australia during this period. The 2011-12 Budget Target is set at 80.0% due to continued skills shortages and anticipated increase in graduate employment.
5. The proportion of the total training resource allocation, measured in student curriculum hours (SCH), allocated to either Employment Based Training (EBT) or the Priority Industry Qualifications List (PIQL) component of Institutional Based Training. This is a new key effectiveness indicator for the Department and accordingly there was no budget target set in 2010-11.

Services and Key Efficiency Indicators

1: Institutional Based Training (IBT)

IBT is any training delivered outside of an apprenticeship or traineeship. Training can include a combination of e-learning and attendance at a training institution.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 343,386	\$'000 489,893	\$'000 528,497	\$'000 590,803	
Less Income.....	124,865	178,139	212,587	213,482	
Net Cost of Service	218,521	311,754	315,910	377,321	
Employees (Full Time Equivalents)	384	462	547	547	1
Efficiency Indicators					
IBT Unit Cost (Total Expenditure of Service 1/Student Curriculum Hours Associated with this Service)	-	\$20.08	\$19.01	\$21.25	

Explanation of Significant Movements

(Notes)

1. The Department of Training and Workforce Development was established on 30 October 2009 and was in an establishment phase throughout 2009-10. Accordingly, the 2009-10 Actual Full Time Equivalent (FTE) is significantly lower than the 2010-11 Estimated Actual. In addition, the consolidation of the Vocational Training and Education Centre (VTEC) into the Department from 1 January 2011 has further increased FTE estimates in 2010-11 and the forward estimates.

2: Employment Based Training (EBT)

EBT is a combination of practical experience at work with structured learning. Apprentices enter into a formal training contract with an employer which leads to a national qualification and recognition as a tradesperson. Traineeships provide employment and structured training over a period of a year or more, and lead to nationally recognised qualifications generally in non-trade areas.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	99,453	173,741	167,270	167,484	
Less Income.....	40,629	63,740	49,471	49,680	
Net Cost of Service	58,824	110,001	117,799	117,804	
Employees (Full Time Equivalents)	135	149	163	163	1
Efficiency Indicators					
EBT Unit Cost (Total Expenditure of Service 2/Student Curriculum Hours Associated with this Service)	-	\$19.90	\$19.66	\$19.68	

Explanation of Significant Movements

(Notes)

1. The Department of Training and Workforce Development was established on 30 October 2009 and was in an establishment phase throughout 2009-10. Accordingly, the 2009-10 Actual FTE is significantly lower than the 2010-11 Estimated Actual. In addition, the consolidation of the VTEC into the Department from 1 January 2011 has further increased FTE estimates in 2010-11 and the forward estimates.

ASSET INVESTMENT PROGRAM

The Department's planned asset investment expenditure for the training sector is \$43.8 million in 2011-12 and relates primarily to the provision of improved training infrastructure in regional centres.

The \$110.0 million allocation for the Skills Training Initiative over the forward estimates includes \$77.6 million for new training facilities to be funded from the Government's Royalty for Regions program. Regional projects include \$9.7 million in 2011-12 to commence a range of projects to improve access to trades training programs and other high demand programs to address critical skill shortages.

Regional projects also include the expected completion of new training facilities at Kimberley TAFE's Kununurra Campus as part of Commonwealth Government funding to expand social infrastructure alongside the major Ord River Stage 2 development. The new facilities include classrooms and trade workshops to support improved outcomes for local communities and economic benefits resulting from the employment opportunities generated through the Ord River Stage 2.

Ongoing work also includes the commencement of construction at Challenger Institute of Technology's Rockingham Campus on a major new building and construction trade training centre. The \$28.6 million facility will address skill shortages in the building and construction industry and improve trades training access for young people who live in the south metropolitan area. An amount of \$6.0 million has been allocated in 2011-12 and it is expected that the facility will be completed in early 2013.

Technology for the training sector is being enhanced to support new and emerging business needs for training delivery. The Government continues to support an innovative, responsive and flexible training system by providing \$3.5 million to build a modern high-speed, high-capacity network for the training sector that will facilitate mobile, online and work-based training delivery, and improve the capacity of the training sector to respond to the needs of business and industry.

	Estimated Total Cost ^(a) \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
ICT State-wide Computer Network for the Training Sector	3,580	1,300	1,300	2,280	-	-	-
New Buildings and Additions at State Training Providers							
C.Y. O'Connor Institute - Narrogin Campus Upgrade	2,300	50	50	1,100	1,150	-	-
Central Institute of Technology - Aberdeen St Refurbishment	7,990	5,162	4,400	2,828	-	-	-
Central Institute of Technology - E Central and Leederville Realignment	4,000	3,500	2,476	500	-	-	-
Challenger Institute of Technology - Rockingham Campus Redevelopment	28,610	1,029	1,000	6,000	21,581	-	-
Durack Institute of Technology - Geraldton - Batavia Coast Marine Centre	3,010	1,634	36	1,376	-	-	-
Kimberley TAFE - Fitzroy Crossing Training Centre	3,000	1,149	1,000	1,851	-	-	-
Kimberley TAFE - Ord River Stage 2 - Kununurra and Wyndham	10,000	6,964	6,400	2,836	200	-	-
South West Institute of Technology - Bunbury - Heavy Duty Automotive	16,000	1,643	1,000	13,357	1,000	-	-
West Coast Institute of Training - Clarkson - Trades Training	19,000	18,519	9,000	481	-	-	-
COMPLETED WORKS							
New Buildings and Additions at State Training Providers							
C.Y. O'Connor Institute - Northam B and C Workshop	2,400	2,400	2,297	-	-	-	-
Central Institute of Technology - East Perth Sustainability Centre	2,000	2,000	1,812	-	-	-	-
Central Institute of Technology - Perth Campus Redevelopment Stage 2/3	57,183	57,183	10,994	-	-	-	-
Durack Institute of Technology - Geraldton Skills Barn	1,800	1,800	1,378	-	-	-	-
Durack Institute of Technology - Wiluna Education and Vocational Training Centre	3,000	3,000	438	-	-	-	-
Great Southern Institute of Technology - Albany - Wool Harvesting and Aquaculture	2,395	2,395	1,140	-	-	-	-
Pilbara TAFE - Karratha - Metals and Automotive Workshop Extension	2,400	2,400	941	-	-	-	-
Vocational Training and Education Centre - Kalgoorlie Metal, Electrical and Automotive	3,670	3,670	218	-	-	-	-
West Coast Institute of Training - Clarkson - Trades Training Stage 2	3,940	3,940	337	-	-	-	-
NEW WORKS							
New Buildings and Additions at State Training Providers							
Challenger Institute of Technology - Murdoch Stage 4	41,970	-	-	-	250	7,500	9,510
Great Southern Institute of Technology - Mt Barker Campus	4,440	-	-	-	250	2,640	1,550
Kimberley TAFE - West Kimberley Campus	5,460	-	-	-	850	4,610	-
Polytechnic West - Armadale Training Centre	9,010	-	-	1,490	3,510	4,010	-
Skills Training Initiative ^(b)	115,100	-	-	9,700	22,900	22,500	22,500
South West Institute of Technology - Busselton Campus Upgrade	2,000	-	-	-	2,000	-	-
Total Cost of Asset Investment Program	354,258	119,738	46,217	43,799	53,691	41,260	33,560
FUNDED BY							
Capital Appropriation			27,901	22,086	6,700	3,460	-
Commonwealth Grants			16,600	15,300	13,420	15,300	11,060
Internal Funds and Balances			(7,284)	(3,287)	10,671	-	-
Other			9,000	-	-	-	-
Drawdowns from Royalties for Regions Fund ^(c)			-	9,700	22,900	22,500	22,500
Total Funding			46,217	43,799	53,691	41,260	33,560

(a) The Estimated Total Cost includes expenditure cash flowed beyond the forward estimates period.

(b) Capital works funded from the Royalties for Regions Fund.

(c) Regional Infrastructure and Headworks Fund.

FINANCIAL STATEMENTS

Income Statement

Expenses

The Income Statement shows an estimated increase of \$32.1 million in Total Cost of Services from the 2010-11 Budget to 2010-11 Estimated Actual position. This is mainly attributable to:

- \$4.8 million increase to salaries and wages expense mainly attributable to:
 - the consolidation of the Vocational Training and Education Centre (VTEC) from 1 January 2011 (\$3.7 million); and
 - Civil Service Association General Agreement wage increase (\$0.5 million).
- \$8.1 million net decrease to grants and subsidies expense mainly attributable to:
 - Education Investment Fund (EIF) funding from the Commonwealth Government (\$11.0 million);
 - Apprentice Kickstart Pre-apprenticeship funding from the Commonwealth Government (\$3.2 million);
 - Youth Attainment and Transitions funding from the Commonwealth Government (\$1.6 million);
 - District Allowance General Agreement 2010 increase (\$1.9 million);
 - realignment of Grants and Subsidies expense from other expenses (\$19.9 million);
 - carry forward of various Commonwealth Government funded programs from 2009-10 (\$13.0 million); and
 - offset by an overstatement of grants and subsidies expense from other expenses in 2010-11 Budget (\$50.3 million); a decrease (\$2.1 million) resulting from the reallocation of workers compensation premiums for apprentices from 2010-11 to 2011-12, and a decrease in grants to Curtin University following the consolidation of the VTEC from 1 January 2011 (\$5.9 million).
- \$10.3 million increase to supplies and services expenses mainly attributable to the reclassification of services and contracts (\$5.2 million) and operating lease expense (\$4.6 million); and
- \$25.0 million increase to other expenses mainly attributable to:
 - consolidation and transition of VTEC (\$3.9 million);
 - post demerger adjustment for WestOne Services (\$2.9 million);
 - Commonwealth Government funded programs (\$1.5 million);
 - realignment of other expenses to grants and subsidies expense (\$19.9 million); and
 - offset by an understatement of other expenses to grants and subsidies expense in the 2010-11 Budget Papers (\$50.3 million).

A further \$62.5 million increase in Total Cost of Services from 2010-11 Estimated Actual to 2011-12 Estimate is anticipated and is mainly attributable to:

- Royalties for Regions Skills Training Initiative (\$30.5 million);
- additional training places for critical skill shortages (\$22.7 million);
- additional training places for increased workforce participation (\$10.7 million);
- post demerger adjustment for WestOne services (\$7.6 million);
- \$4.2 million impact resulting from the reallocation of \$2.1 million for the Rebate for Workers Compensation Premiums funding to from 2010-11 to 2011-12;
- Skilled Migration WA Unit operational costs (\$1.4 million);
- additional net cost for full year impact of VTEC consolidation (\$1.3 million);
- increase in EIF Commonwealth Government funding (\$2.1 million);
- State-wide Network for the Training Sector (\$1.2 million); and
- other funding adjustments (\$1.5 million).

This additional expenditure is offset by a \$21.8 million decrease mainly attributable to:

- VTEC transition costs (\$1.9 million);
- District Allowance General Agreement 2010 (\$1.9 million);
- Apprentice Kickstart Pre-apprenticeship Commonwealth Government funded program (\$3.5 million); and
- impact of various carried forward Commonwealth Government funded programs totalling (\$14.5 million).

Income

The Income Statement shows an estimated increase of \$20.2 million in income from 2010-11 Budget to 2010-11 Estimated Actual. This is mainly attributable to:

- Grants and Subsidies increases of \$17.3 million due to Commonwealth Government funding received from the EIF (\$11.0 million), Youth Attainment and Transitions program (\$2.8 million) and Apprentice Kickstart Pre-apprenticeship program (\$3.5 million); and
- recognition of interest revenue received (\$1.3 million).

The 2011-12 Revenue Estimate is not anticipated to significantly vary from the 2010-11 Estimated Actual.

Statement of Financial Position

Current assets are expected to increase by \$61.8 million from 2010-11 Budget to 2010-11 Estimated Actual. This is mainly attributable to:

- reclassification of land to non-current assets held for sale (\$21.0 million);
- net increase in cash assets (restricted and non-restricted) (\$34.8 million);
- increase in receivables to more accurately reflect anticipated balance (\$6.8 million); and
- offset by a reallocation of amounts receivable for services for asset replacement from current to non-current (decrease of \$1.1 million).

Non-current assets are expected to decrease by \$7.4 million due to an increase in amounts receivable for services for asset replacement (\$2.0 million) offset by a \$9.7 million reduction in property plant and equipment due to delays in capital works projects.

Current liabilities have been restated for 2010-11 Estimated Actual and the forward estimates in line the 2009-10 Actual. The \$18.8 million increase is mainly attributable to the recognition of income received in advance from international students (\$20.3 million) and an increase in employee provisions (\$0.9 million), offset by a reduction in payables (\$2.4 million).

Current assets are expected to decrease by \$11.2 million from 2010-11 Estimated Actual to 2011-12 Budget Estimate due to the expenditure of internal funds and balances on the capital works projects. An increase of \$6.7 million in non-current assets is anticipated resulting from increases to capital works in progress balances.

Statement of Cashflows

Net operating activities show an estimated decrease of \$14.1 million from 2010-11 Budget to 2010-11 Estimated Actual resulting from an increase in payments of \$6.3 million, offset by an increase in receipts of \$20.4 million. This is mainly attributable to:

- \$5.6 million increase to salaries and wages payments mainly attributable to:
 - the consolidation of the Vocational Training and Education Centre (VTEC) from 1 January 2011 (\$3.7 million); and
 - Civil Service Association General Agreement wage increase (\$0.5 million);
- \$18.1 million net decrease to grants and subsidies payments mainly attributable to:
 - EIF Commonwealth Government funding (\$11.0 million);
 - Apprentice Kickstart Pre-apprenticeship Commonwealth Government funded program (\$3.2 million);
 - Youth Attainment and Transitions Commonwealth Government funded program (\$1.6 million);
 - District Allowance General Agreement 2010 increase (\$1.9 million);
 - realignment of grants and subsidies expense from other expenses (\$19.9 million);
 - carry forward of various Commonwealth Government funded programs from 2009-10 (\$13.0 million); and
 - offset by an overstatement of grants and subsidies expense from other expenses in the 2010-11 Budget Papers (\$61.0 million); a decrease of \$2.1 million resulting from the reallocation of Workers Compensation Premiums for apprentices from 2010-11 to 2011-12, and a decrease in grants to Curtin University following the consolidation of VTEC (\$5.9 million);
- reclassification of supplies and services expense for services and contracts (\$5.8 million);
- \$13.1 million increase to other payments as a result of the consolidation and transition of VTEC (\$3.9 million), Commonwealth Government funded programs (\$1.5 million), and various minor adjustments (\$7.7 million);
- \$17.3 million increase in Grants and subsidies receipts for EIF (\$11.0 million), Youth Attainment and Transitions (\$2.8 million), and Apprentice Kickstart Pre-apprenticeship program (\$3.5 million); and
- increase in other receipts to recognise interest receipts (\$1.3 million).

A further \$73.4 million increase in 2011-12 net operating payments is a result of a \$74.7 million increase in payments, offset by a \$1.4 million decrease in receipts. These movements are mainly attributable to:

- Royalties for Regions Skills Training Initiative (\$30.5 million);
- additional training places for critical skill shortages (\$22.7 million);
- additional training places for increased workforce participation (\$10.7 million);
- \$4.2 million impact resulting from the reallocation of \$2.1 million for the Rebate for Workers Compensation Premiums funding from 2010-11 to 2011-12;
- Skilled Migration WA Unit operational costs (\$1.4 million);
- additional net cost for full year impact of VTEC consolidation (\$1.3 million);
- increase in EIF Commonwealth Government funding (\$2.1 million); and
- State-wide Network for the Training Sector (\$1.2 million).

INCOME STATEMENT ^(a)
(Controlled)

	2009-10 Actual ^(e)	2010-11 Budget ^(e)	2010-11 Estimated Actual ^(e)	2011-12 Budget Estimate	2012-13 Forward Estimate	2013-14 Forward Estimate	2014-15 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	27,213	57,799	62,630	75,615	71,576	73,577	74,859
Grants and subsidies ^(c)	389,838	561,623	553,547	593,459	481,477	491,710	512,556
Supplies and services	5,483	-	9,819	11,472	11,937	12,873	14,398
Accommodation	170	-	516	790	812	836	866
Depreciation and amortisation	474	587	587	580	1,194	1,194	1,207
Other expenses	19,661	43,625	68,668	76,371	37,952	40,359	31,848
TOTAL COST OF SERVICES.....	442,839	663,634	695,767	758,287	604,948	620,549	635,734
Income							
Sale of goods and services	14,762	40,836	41,526	44,813	44,244	45,608	45,653
Grants and subsidies	147,817	198,629	215,856	214,851	155,545	158,392	157,754
Other revenue	2,915	2,414	4,676	3,498	3,544	3,659	3,695
Total Income	165,494	241,879	262,058	263,162	203,333	207,659	207,102
NET COST OF SERVICES	277,345	421,755	433,709	495,125	401,615	412,890	428,632
INCOME FROM STATE GOVERNMENT							
Service appropriations	268,966	426,008	427,830	472,284	412,657	428,304	439,798
Resources received free of charge	254	-	262	269	278	286	294
Royalties for regions fund ^(d)	-	-	-	30,500	2,500	-	-
TOTAL INCOME FROM STATE GOVERNMENT	269,220	426,008	428,092	503,053	415,435	428,590	440,092
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(8,125)	4,253	(5,617)	7,928	13,820	15,700	11,460
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	(8,125)	4,253	(5,617)	7,928	13,820	15,700	11,460

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

(b) The Full Time Equivalents (FTEs) for 2009-10 Actual, 2010-11 Estimated Actual and 2011-12 Estimates are 519, 710 and 710 respectively. In some cases the figures for 2009-10 and 2010-11 may differ from previously published figures due to changes in calculation methodology.

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

(d) Regional Community Services Fund - \$0 (2009-10), \$0 (2010-11), \$0 (2010-11 Estimated Actual), \$30.5 million (2011-12), \$2.5 million (2012-13), \$0 (2013-14), \$0 (2014-15).

(e) The Department of Training and Workforce Development was established on 30 October 2009 as a result of Machinery of Government changes endorsed by Cabinet. The 2009-10 Actuals reflect the actual operating result from 30 October 2009 to 30 June 2010. The printed 2009-10 Estimated Actual as printed in the 2010-11 Budget Papers reflect a 12 month position and includes estimates for the period 1 July 2009 to 29 October 2009. The actual operating result for the period 1 July 2009 to 29 October 2009 can be found under Service Three: Vocational Education and Training in the Department of Education's Annual Report 2010. Please refer to the Reconciliation Table at the end of the financial statements for further information.

Details of Controlled Grants and Subsidies

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Contracts and Agreements for the Delivery of Training and Employment Services by: State Training Providers; Curtin Vocational Training and Education Centre; and Western Australian Academy of Performing Arts	294,506	425,889	400,240	406,734	412,546	424,440	444,014
Grants to Private Training Providers	77,570	109,140	132,967	163,664	58,309	56,352	57,373
Capital Grants to State Training Providers	11,047	10,000	12,310	14,979	2,300	2,349	2,382
Capital Grants to Private Training Providers	3,805	10,000	4,000	4,120	4,244	4,371	4,547
Other	2,910	6,594	4,030	3,962	4,078	4,198	4,240
TOTAL	389,838	561,623	553,547	593,459	481,477	491,710	512,556

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	1,126	11,035	4,285	4,034	3,674	3,536	3,529
Restricted cash.....	79,293	15,279	56,782	45,857	33,606	33,786	33,936
Holding account receivables.....	-	1,144	-	-	-	-	-
Receivables	8,352	1,529	8,352	8,352	8,352	8,352	8,352
Other.....	596	216	596	596	596	596	596
Assets held for sale.....	21,000	-	21,000	21,000	21,000	21,000	21,000
Total current assets.....	110,367	29,203	91,015	79,839	67,228	67,270	67,413
NON-CURRENT ASSETS							
Holding account receivables.....	30,749	29,672	31,635	32,215	33,409	34,603	35,810
Property, plant and equipment.....	99,102	75,454	65,719	71,488	64,851	90,222	117,897
Restricted cash.....	1,544	1,679	1,861	2,188	2,525	2,872	3,129
Other.....	168	-	168	168	168	168	168
Total non-current assets	131,563	106,805	99,383	106,059	100,953	127,865	157,004
TOTAL ASSETS.....	241,930	136,008	190,398	185,898	168,181	195,135	224,417
CURRENT LIABILITIES							
Employee provisions	8,143	7,450	8,360	8,583	8,814	9,051	9,295
Payables.....	6,251	8,410	5,963	5,383	4,759	4,135	3,498
Other.....	22,004	1,922	22,218	22,276	22,335	22,396	22,459
Total current liabilities	36,398	17,782	36,541	36,242	35,908	35,582	35,252
NON-CURRENT LIABILITIES							
Employee provisions	1,511	2,820	1,593	1,678	1,765	1,855	1,947
Borrowings	7	-	7	7	7	7	7
Other.....	8	-	8	8	8	8	8
Total non-current liabilities	1,526	2,820	1,608	1,693	1,780	1,870	1,962
TOTAL LIABILITIES	37,924	20,602	38,149	37,935	37,688	37,452	37,214
EQUITY							
Contributed equity.....	212,131	90,772	165,991	153,777	122,487	133,977	152,037
Accumulated surplus/(deficit)	(8,125)	24,634	(13,742)	(5,814)	8,006	23,706	35,166
Total equity.....	204,006	115,406	152,249	147,963	130,493	157,683	187,203
TOTAL LIABILITIES AND EQUITY	241,930	136,008	190,398	185,898	168,181	195,135	224,417

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	267,822	426,008	426,944	471,704	411,463	427,110	438,591
Capital appropriation	28,367	32,432	27,901	22,086	6,700	3,460	-
Royalties for regions fund ^(b)	-	-	-	40,200	25,400	22,500	22,500
Net cash provided by State Government	296,189	458,440	454,845	533,990	443,563	453,070	461,091
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(27,915)	(56,596)	(62,173)	(75,307)	(71,258)	(73,250)	(74,523)
Grants and subsidies	(389,839)	(571,623)	(553,547)	(593,459)	(481,477)	(491,710)	(512,556)
Supplies and services	(2,441)	-	(5,256)	(6,376)	(6,669)	(7,427)	(8,308)
Accommodation	(170)	-	(516)	(790)	(812)	(836)	(866)
Other payments	(31,638)	(54,828)	(67,897)	(88,195)	(44,894)	(45,495)	(37,626)
Receipts							
Grants and subsidies	145,501	198,629	215,856	214,851	155,545	158,392	157,754
Sale of goods and services	34,850	38,278	38,968	42,194	41,564	42,844	42,889
GST receipts	11,325	2,339	2,339	2,659	2,426	2,521	2,521
Other receipts	2,915	2,039	4,563	3,383	3,429	3,540	3,584
Net cash from operating activities	(257,412)	(441,762)	(427,663)	(501,040)	(402,146)	(411,421)	(427,131)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(39,672)	(56,832)	(46,217)	(43,799)	(53,691)	(41,260)	(33,560)
Net cash from investing activities	(39,672)	(56,832)	(46,217)	(43,799)	(53,691)	(41,260)	(33,560)
CASHFLOWS FROM FINANCING ACTIVITIES							
Other proceeds	(5)	-	-	-	-	-	-
Net cash from financing activities	(5)	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	(900)	(40,154)	(19,035)	(10,849)	(12,274)	389	400
Cash assets at the beginning of the reporting period	-	68,147	81,963	62,928	52,079	39,805	40,194
Net cash transferred to/from other agencies	82,863	-	-	-	-	-	-
Cash assets at the end of the reporting period	81,963	27,993	62,928	52,079	39,805	40,194	40,594

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

(b) Regional Community Services Fund - \$0 (2009-10), \$0 (2010-11), \$0 (2010-11 Estimated Actual), \$40.2 million (2011-12), \$25.4 million (2012-13), \$22.5 million (2013-14), \$22.5 million (2014-15).

RECONCILIATION RELATING TO MAJOR FUNCTIONAL TRANSFERS AND ACCOUNTING POLICY CHANGES

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement.....	442,839	663,634	695,767	758,287	604,948	620,549	635,734
Adjustment for Vocational Education and Training provided by the Department of Education and Training (DET).....	227,945	-	-	-	-	-	-
Adjusted Total Cost of Services.....	670,784	663,634	695,767	758,287	604,948	620,549	635,734
INCOME FROM STATE GOVERNMENT							
Total Income from State Government as per Income Statement.....	269,220	426,008	428,092	503,053	415,435	428,590	440,092
Adjustment for Vocational Education and Training provided by the DET.....	144,553	-	-	-	-	-	-
Adjusted Income from State Government.....	413,773	426,008	428,092	503,053	415,435	428,590	440,092

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:

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Commonwealth Capital.....	19,988	15,300	16,600	15,300	13,420	15,300	11,060
Commonwealth Recurrent.....	120,513	174,329	190,256	199,551	142,125	143,092	146,694
GST Receipts On Sales.....	11,325	2,339	2,339	2,659	2,426	2,521	2,521
Proceeds from Commercial Activities of Institutions.....	34,850	38,278	38,968	42,194	41,564	42,844	42,889
Revenue - Other.....	2,915	2,039	4,563	3,383	3,429	3,540	3,584
Revenue - Other Capital.....	5,000	9,000	9,000	-	-	-	-
TOTAL.....	194,591	241,285	261,726	263,087	202,964	207,297	206,748

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

STATE TRAINING PROVIDERS

ASSET INVESTMENT PROGRAM

Nine State Training Providers are undertaking asset improvement programs in 2011-12 comprising various upgrades and improvements to accommodation and infrastructure, as well as equipment refreshment, replacement and minor works.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
C.Y. O'CONNOR COLLEGE OF TAFE							
WORKS IN PROGRESS							
Asset Replacement Program	1,637	1,197	797	149	97	97	97
Total Cost of Asset Investment Program.....	1,637	1,197	797	149	97	97	97
CENTRAL INSTITUTE OF TECHNOLOGY							
WORKS IN PROGRESS							
Accommodation and Infrastructure - Leederville Campus	2,827	2,692	2,060	135	-	-	-
COMPLETED WORKS							
Accommodation and Infrastructure							
Acoustic Upgrade to Classrooms.....	139	139	139	-	-	-	-
Northbridge Building Equipment Fit-Out.....	762	762	762	-	-	-	-
Northbridge Building Fit-Out.....	1,215	1,215	1,215	-	-	-	-
Plant and Equipment - 2010-11 Program	1,277	1,277	1,277	-	-	-	-
NEW WORKS							
Accommodation and Infrastructure - Green Skills Training Centre	15,000	-	-	6,500	8,500	-	-
Total Cost of Asset Investment Program.....	21,220	6,085	5,453	6,635	8,500	-	-
CHALLENGER INSTITUTE OF TECHNOLOGY							
COMPLETED WORKS							
Equipment Replacement - 2010-11 Program	992	992	992	-	-	-	-
NEW WORKS							
Equipment Replacement							
2011-12 Program	1,500	-	-	1,500	-	-	-
2012-13 Program	1,250	-	-	-	1,250	-	-
2013-14 Program	1,491	-	-	-	-	1,491	-
2014-15 Program	1,534	-	-	-	-	-	1,534
Total Cost of Asset Investment Program.....	6,767	992	992	1,500	1,250	1,491	1,534
DURACK INSTITUTE OF TECHNOLOGY							
WORKS IN PROGRESS							
Asset Replacement Program	1,113	505	93	118	140	100	250
Equipment Replacement Program	817	289	60	105	50	82	291
Information Technology (IT) Server Replacement.....	162	66	21	96	-	-	-
IT Switch Replacement	162	59	59	103	-	-	-
Multi-Functional Device (MDF) Replacement.....	97	52	24	15	15	15	-
Plumbing Workshop.....	173	80	80	93	-	-	-
COMPLETED WORKS							
Wiluna Indigenous Adult Learning Centre Equipment	110	110	110	-	-	-	-
NEW WORKS							
Bus Replacement.....	42	-	-	-	42	-	-
Total Cost of Asset Investment Program.....	2,676	1,161	447	530	247	197	541

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
GREAT SOUTHERN INSTITUTE OF TECHNOLOGY							
WORKS IN PROGRESS							
Equipment, Maintenance and Minor Works.....	2,929	952	181	340	340	340	957
Small Capital Works and Equipment and Plant Purchases.....	2,340	1,313	365	96	486	445	-
COMPLETED WORKS							
Auto Trades Workshop	1,052	1,052	1,052	-	-	-	-
Total Cost of Asset Investment Program.....	6,321	3,317	1,598	436	826	785	957
KIMBERLEY REGIONAL COLLEGE OF TAFE							
WORKS IN PROGRESS							
Asset Replacement Program	700	210	110	120	130	140	100
Minor IT and Building Maintenance	432	153	153	37	242	-	-
Total Cost of Asset Investment Program.....	1,132	363	263	157	372	140	100
PILBARA COLLEGE OF TAFE							
NEW WORKS							
Pundulmurra Campus Upgrade	12,190	-	-	4,500	4,500	3,190	-
Total Cost of Asset Investment Program.....	12,190	-	-	4,500	4,500	3,190	-
POLYTECHNIC WEST							
WORKS IN PROGRESS							
Trades Equipment							
Major Works	9,957	5,957	1,777	1,000	1,000	1,000	1,000
Minor Works	3,865	1,865	750	500	500	500	500
Rolling Refreshment Program	6,868	4,385	750	983	500	500	500
COMPLETED WORKS							
Demountable Classroom Bentley Campus	1,000	1,000	1,000	-	-	-	-
Total Cost of Asset Investment Program.....	21,690	13,207	4,277	2,483	2,000	2,000	2,000
WEST COAST INSTITUTE OF TRAINING							
WORKS IN PROGRESS							
Facilities Upgrades and Redevelopments.....	7,743	768	768	1,410	2,796	1,996	773
COMPLETED WORKS							
Covered Walkway.....	66	66	66	-	-	-	-
Small Capital Works and Equipment and Plant Purchases.....	2,237	2,237	1,294	-	-	-	-
Total Cost of Asset Investment Program.....	10,046	3,071	2,128	1,410	2,796	1,996	773
Total Cost of State Training Providers Asset Investment Program	83,679	29,393	15,955	17,800	20,588	9,896	6,002
FUNDED BY							
Commonwealth Grants.....			11,600	12,690	-	-	-
Internal Funds and Balances.....			4,355	5,110	20,588	9,896	6,002
Total Funding			15,955	17,800	20,588	9,896	6,002

INDIGENOUS AFFAIRS

PART 12 - MINISTER FOR ENERGY; TRAINING AND WORKFORCE DEVELOPMENT; INDIGENOUS AFFAIRS

DIVISION 54

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 85 Net amount appropriated to deliver services	32,777	30,149	31,498	35,782	33,558	29,891	31,259
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975.....	189	202	202	238	244	246	247
Total appropriations provided to deliver services	32,966	30,351	31,700	36,020	33,802	30,137	31,506
CAPITAL							
Capital Appropriation	170	-	-	-	-	63	198
TOTAL APPROPRIATIONS	33,136	30,351	31,700	36,020	33,802	30,200	31,704
EXPENSES							
Total Cost of Services	32,609	31,814	33,864	41,263	39,388	34,048	35,425
Net Cost of Services ^(a)	31,160	30,618	32,942	39,931	37,657	31,202	32,554
CASH ASSETS ^(b)	2,687	1,092	3,326	11,385	8,634	7,973	7,312

(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 SPENDING CHANGES

Details of major decisions impacting on the agency's Income Statement since publication of the 2010-11 Budget to Parliament on 20 May 2010 are outlined below.

	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Aboriginal Community Emergency Response Fund	-	750	2,450	2,450	2,450
Aboriginal Community Patrols	788	1,355	-	-	-
Clontarf Hostel Extension	-	2,000	-	-	-
Governance and Leadership Development Program	-	1,565	735	-	-

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
Results-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	Sustainable improvement in social, cultural and economic outcomes for Indigenous people.	1. Support to Partnerships, Partnering Initiatives 2. Information and Advice

Service Summary

Expense	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
1. Support to Partnerships, Partnering Initiatives	18,500	18,278	19,785	27,137	25,904	22,392	23,298
2. Information and Advice.....	14,109	13,536	14,079	14,126	13,484	11,656	12,127
Total Cost of Services.....	32,609	31,814	33,864	41,263	39,388	34,048	35,425

Significant Issues Impacting the Agency

- The Aboriginal Affairs Coordinating Committee (AACC) continues to facilitate change for Indigenous people across the State. The Committee, chaired by the Director General of the Department of Indigenous Affairs and comprising Directors General of nine State Government agencies, has significantly increased collaboration across the sector in addressing issues affecting Indigenous people. The capability of the AACC will be greatly enhanced by the allocation of \$10.0 million from Royalties for Regions (RfR) to provide a rolling fund, administered by the AACC. The Aboriginal Community Emergency Response Fund (ACERF) enables a flexible and timely response capability to address crisis situations, such as public health or community safety risks, for Indigenous people living in remote, regional and town based communities. It is estimated that there are approximately 15,000 people living in these locations. The ACERF provides the AACC with the capacity to intervene in a more effective manner to pursue time critical interventions and emergency responses. The appointment of a Chief Operating Officer to the AACC allows that committee to authorise direct action as anticipated in the *Aboriginal Affairs Planning Authority Act 1972*. While the ACERF enables the AACC to implement actions at short notice, responsible agencies will also apportion expenditure from existing programs and appropriations where applicable.
- The Department has received \$2.3 million RfR funding over two years for a Governance and Leadership Development Program. The program will establish a framework for governance reform in the Kimberley and the Pilbara regions. This program will seek endorsement of Indigenous leaders and corporations, as well as support from government and industry to deliver better engagement with Indigenous communities and encourage active participation in community and corporate governance. The program will also identify, review, evaluate and develop options for improved Indigenous representation at a regional level. It will include input from Indigenous people in social and economic planning and development and enhance the role of Indigenous leaders in program design and implementation.

Corporate and community governance development programs will assist in building the capacity of Indigenous organisations, their boards and staff. The program will also provide training, support and assistance to organisations to transition from State Incorporation to registration under the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* with the Office of the Registrar of Indigenous Corporations.

- The Department of Indigenous Affairs is the lead agency in the reporting process for the National Indigenous Reform Agreement, as well as the National Partnership Agreements on Remote Service Delivery and Indigenous Economic Participation. It liaises and coordinates with central and line agencies in Western Australia and relevant agencies in the Commonwealth Government to gather information, review and report under individual governance structures as required. The Department has established a Regional Operations Centre in Broome to deliver the outcomes of the Council of Australian Governments' National Partnership Agreement on Remote Service Delivery. The Centre is currently coordinating the implementation of Local Area Service Delivery Plans, Land Tenure Reform and working with communities to establish a Single Government Interface in identified locations, providing improved interaction between communities and government agencies at all stages of the service planning and delivery cycle.
- In partnership with the Commonwealth Government, BHP and the Catholic Education Office, the Government has provided a contribution of \$2.0 million towards the building of an Indigenous Student Hostel at the Clontarf Waterford Campus. The hostel provides boarding facilities to Indigenous boys and girls to enable them to attend school and trade training in the metropolitan area. Originally only funded to support 80 beds, the State's contribution has enabled an additional 40 beds to be incorporated into the project, providing a total of 120 beds to support the education of Indigenous youths.
- Aboriginal Community Patrols: as a signatory to COAG's Indigenous Economic Participation National Partnership (IEP NP) in December 2008, Western Australia undertook to identify and convert existing Community Development Employment Project (CDEP) positions into real and sustainable State Government funded jobs. A number of regional Aboriginal Community Patrols (ACPs) were identified and transitioned from Commonwealth CDEP positions into State-funded jobs. Community patrols are largely an Indigenous community initiative, staffed by Indigenous people who use their cultural authority to intervene, mediate and, where possible, resolve potentially dangerous or disruptive situations in public places and, consequently, patrols are considered to have a positive role in crime prevention and community safety. In addition to transporting at risk people to safe locations, a key role is also to make referrals as appropriate to agencies for support and follow up. The Government has allocated an additional \$2.1 million over two years to meet a shortfall in current patroller salaries, fund additional patroller positions and a contribution towards replacement buses.

Outcomes and Key Effectiveness Indicators ^(a)

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Outcome: Sustainable improvement in social, cultural and economic outcomes for Indigenous people:					
Extent to which parties in a sample of partnering arrangements indicate they have been assisted to achieve agreed outcomes, which contribute to government objectives.....	64.2%	65%	65%	65%	
Extent to which users indicated the policy and/or advice assisted their decision-making	57.8%	65%	65%	65%	

(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 Partnerships, Partnering Initiatives

The provision of support to current partnering or new partnerships which involves Indigenous individuals, families, communities, and representatives participating with government, the private sector, community groups and others to achieve agreed priorities.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 18,500	\$'000 18,278	\$'000 19,785	\$'000 27,137	1
Less Income.....	822	687	534	833	
Net Cost of Service	17,678	17,591	19,251	26,304	
Employees (Full Time Equivalents)	92	107	107	107	
Efficiency Indicators					
Average Cost per Land Partnership.....	\$64,787	\$67,763	\$69,305	\$71,201	2
Average Cost per Heritage and Culture Partnership.....	\$53,432	\$68,763	\$68,554	\$68,575	
Average Cost per Coordination Partnership	\$111,756	\$131,694	\$125,601	\$166,671	

Explanation of Significant Movements

(Notes)

- The increase in Total Cost of Service between the 2010-11 Budget and the 2010-11 Estimated Actual is mainly due to increased funding transferred from the Department of Treasury and Finance for the Fitzroy Futures Fund (\$0.6 million) and additional funding received for Aboriginal Community Patrols (\$0.8 million).

The significant increase in the Total Cost of Service between the 2010-11 Estimated Actual and the 2011-12 Budget Target of \$7.3 million is due to increased funding for Aboriginal Communities Emergency Response Fund (\$0.8 million), funding provided to the Clontarf Hostel Extension (\$2.0 million), additional Aboriginal Community Patrols funding (\$0.6 million), Governance and Leadership Development Program (\$1.6 million), increased expenditure for remote service delivery (\$1.5 million) and Land tenure reform (\$0.8 million).

- The increase in the Average Cost per Coordination Partnership is primarily due to the \$2.0 million funding provided for the Clontarf Hostel Extension, which represents a single Coordination Partnership and significantly increases the average cost.

2: Information and Advice

State, Commonwealth, relevant local governments and others involved in Indigenous issues are provided with information and advice on policy, legislation and the planning, coordination, history, delivery and effectiveness of services.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 14,109	\$'000 13,536	\$'000 14,079	\$'000 14,126	
Less Income.....	627	509	388	499	
Net Cost of Service	13,482	13,027	13,691	13,627	
Employees (Full Time Equivalents)	70	79	79	79	
Efficiency Indicators					
Average Cost per Unit of Advice Offered.....	\$52,321	\$50,443	\$49,865	\$48,946	
Average Cost per Request Answered/Recommendation Made	\$1,984	\$2,481	\$2,363	\$2,412	
Average Cost per Unit of Information Supplied.....	\$68	\$80	\$79	\$79	

ASSET INVESTMENT PROGRAM

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COMPLETED WORKS							
Asset Replacement - Information Technology (IT)							
2010-11 Program.....	240	240	240	-	-	-	-
Asset Replacement - Office Equipment							
2010-11 Program.....	116	116	116	-	-	-	-
NEW WORKS							
Asset Replacement - IT							
2011-12 Program.....	319	-	-	319	-	-	-
2012-13 Program.....	272	-	-	-	272	-	-
2013-14 Program.....	381	-	-	-	-	381	-
2014-15 Program.....	242	-	-	-	-	-	242
Asset Replacement - Office Equipment							
2011-12 Program.....	170	-	-	170	-	-	-
2012-13 Program.....	128	-	-	-	128	-	-
2013-14 Program.....	134	-	-	-	-	134	-
2014-15 Program.....	141	-	-	-	-	-	141
Total Cost of Asset Investment Program.....	2,143	356	356	489	400	515	383
FUNDED BY							
Capital Appropriation.....			-	-	-	63	198
Drawdowns from the Holding Account.....			356	489	400	452	185
Total Funding			356	489	400	515	383

FINANCIAL STATEMENTS**Income Statement***Expenses*

The Total Cost of Services in 2011-12 is projected to increase by \$7.4 million compared to the 2010-11 Estimated Actual. This is mainly attributable to increased expenditure during 2011-12 relating to:

- increases in supplies, services and accommodation primarily due to the Governance and Leadership Development Program (\$1.6 million) and the Aboriginal Community Emergency Response Fund (ACERF) (\$0.8 million);
- increases in grants and subsidies primarily due to funding the Clontarf Hostel Extension (\$2.0 million) and the Aboriginal Community Patrols (\$1.4 million); and
- wage and salary cost increases (\$0.6 million).

Income

Retained revenue is expected to increase by \$0.4 million in 2011-12 compared to the 2010-11 Estimated Actual, which is mainly attributable to ACERF recoups. The ACERF provides the capacity for the Aboriginal Affairs Coordinating Committee to intervene in a more effective manner with participating agencies contributing to expenses on a recoup basis.

Statement of Financial Position

Total equity increases in 2011-12 primarily as a result of the ACERF. Of the \$10.0 million funded from RfR, a net amount of \$9.4 million will be unspent in 2011-12. The fund is expected to be progressively spent over the forward estimates period and beyond.

Statement of Cashflows

The significant cash balance at the end of the reporting period in 2011-12 primarily represents the projected unspent balance associated with the ACERF (\$9.4 million) funded from RfR that will be progressively applied to emergency response initiatives over the forward estimates period and beyond.

INCOME STATEMENT ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	18,635	17,686	18,892	19,580	20,120	18,916	19,916
Grants and subsidies ^(c)	6,231	4,383	6,248	8,846	5,088	3,035	3,021
Supplies and services	3,930	5,181	4,480	7,962	7,406	5,493	5,799
Accommodation	2,318	2,585	2,474	3,399	5,266	5,386	5,512
Depreciation and amortisation	208	457	457	426	426	185	125
Other expenses	1,287	1,522	1,313	1,050	1,082	1,033	1,052
TOTAL COST OF SERVICES	32,609	31,814	33,864	41,263	39,388	34,048	35,425
Income							
Grants and subsidies	197	300	200	200	200	100	100
Other revenue	1,252	896	722	1,132	1,531	2,746	2,771
Total Income	1,449	1,196	922	1,332	1,731	2,846	2,871
NET COST OF SERVICES	31,160	30,618	32,942	39,931	37,657	31,202	32,554
INCOME FROM STATE GOVERNMENT							
Service appropriations	32,966	30,351	31,700	36,020	33,802	30,137	31,506
Resources received free of charge	283	240	289	295	301	307	313
Royalties for regions fund ^(d)	-	-	-	11,565	735	-	-
TOTAL INCOME FROM STATE GOVERNMENT	33,249	30,591	31,989	47,880	34,838	30,444	31,819
SURPLUS/(DEFICIENCY) FOR THE PERIOD	2,089	(27)	(953)	7,949	(2,819)	(758)	(735)
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	2,089	(27)	(953)	7,949	(2,819)	(758)	(735)

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

(b) The Full Time Equivalents (FTEs) for 2009-10 Actual, 2010-11 Estimated Actual and 2011-12 Estimates are 162, 186 and 186 respectively. In some cases the figures for 2009-10 and 2010-11 may differ from previously published figures due to changes in calculation methodology.

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

(d) Regional Community Services Fund - \$0 (2009-10), \$0 (2010-11), \$0 (2010-11 Estimated Out Turn), \$11.6 million (2011-12), \$0.7 million (2012-13), \$0 (2013-14), \$0 (2014-15).

Details of Controlled Grants and Subsidies

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Aboriginal Community Patrols	3,658	3,907	4,319	5,250	3,992	2,239	2,341
Clontarf Hostel Extension	-	-	-	2,000	-	-	-
Fitzroy Futures Fund	-	-	500	500	-	-	-
Indigenous Multilateral Funding Pool	270	-	-	-	-	-	-
Kimberley Interpreting Service	200	-	200	200	200	-	-
Kimberley Science and Conservation Strategy Rock Art Research Program	-	-	100	100	100	-	-
Partnership Acceptance Learning Sharing (PALS)	99	-	230	230	230	230	230
Reconciliation Grants	42	100	164	100	100	100	100
Remote Service Delivery	-	-	269	-	-	-	-
Various Indigenous Community Grants	1,962	260	350	350	350	350	350
Yagan's Memorial Park	-	116	116	116	116	116	-
TOTAL	6,231	4,383	6,248	8,846	5,088	3,035	3,021

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	1,762	6	2,327	912	12	12	12
Restricted cash.....	600	1,086	600	10,000	8,075	7,340	6,605
Holding account receivables.....	356	489	489	400	452	185	-
Receivables	770	423	585	546	552	533	539
Other.....	257	128	246	251	256	261	266
Total current assets.....	3,745	2,132	4,247	12,109	9,347	8,331	7,422
NON-CURRENT ASSETS							
Holding account receivables.....	82	60	60	96	80	90	225
Property, plant and equipment.....	627	566	526	589	563	893	1,151
Restricted cash.....	325	-	399	473	547	621	695
Other.....	218	204	168	168	168	168	168
Total non-current assets	1,252	830	1,153	1,326	1,358	1,772	2,239
TOTAL ASSETS.....	4,997	2,962	5,400	13,435	10,705	10,103	9,661
CURRENT LIABILITIES							
Employee provisions	2,285	1,952	2,308	2,330	2,352	2,376	2,400
Payables.....	132	251	278	284	290	296	302
Other.....	249	293	299	351	405	461	519
Total current liabilities	2,666	2,496	2,885	2,965	3,047	3,133	3,221
NON-CURRENT LIABILITIES							
Employee provisions	700	653	707	713	720	727	734
Total non-current liabilities	700	653	707	713	720	727	734
TOTAL LIABILITIES	3,366	3,149	3,592	3,678	3,767	3,860	3,955
EQUITY							
Contributed equity.....	1,351	1,351	2,481	2,481	2,481	2,544	2,742
Accumulated surplus/(deficit)	94	(1,722)	(859)	7,090	4,271	3,513	2,778
Reserves	186	184	186	186	186	186	186
Total equity.....	1,631	(187)	1,808	9,757	6,938	6,243	5,706
TOTAL LIABILITIES AND EQUITY	4,997	2,962	5,400	13,435	10,705	10,103	9,661

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	32,676	29,884	31,233	35,584	33,366	29,942	31,371
Capital appropriation	170	-	-	-	-	63	198
Holding account drawdowns	357	356	356	489	400	452	185
Royalties for regions fund ^(b)	-	-	-	11,565	735	-	-
Net cash provided by State Government	33,203	30,240	31,589	47,638	34,501	30,457	31,754
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(18,557)	(17,605)	(18,812)	(19,500)	(20,037)	(18,829)	(19,827)
Grants and subsidies	(6,231)	(4,383)	(6,248)	(8,846)	(5,088)	(3,035)	(3,021)
Supplies and services	(3,688)	(4,988)	(4,071)	(7,704)	(7,143)	(5,224)	(5,525)
Accommodation	(2,452)	(2,530)	(2,419)	(3,343)	(5,209)	(5,328)	(5,453)
Other payments	(3,032)	(3,189)	(2,893)	(2,728)	(2,771)	(2,432)	(2,452)
Receipts							
Grants and subsidies	197	300	200	200	200	100	100
GST receipts	1,625	1,666	1,567	1,655	1,671	1,405	1,381
Other receipts	1,131	890	952	1,176	1,525	2,740	2,765
Net cash from operating activities	(31,007)	(29,839)	(31,724)	(39,090)	(36,852)	(30,603)	(32,032)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(512)	(356)	(356)	(489)	(400)	(515)	(383)
Net cash from investing activities	(512)	(356)	(356)	(489)	(400)	(515)	(383)
NET INCREASE/(DECREASE) IN CASH HELD	1,684	45	(491)	8,059	(2,751)	(661)	(661)
Cash assets at the beginning of the reporting period	1,003	1,047	2,687	3,326	11,385	8,634	7,973
Net cash transferred to/from other agencies	-	-	1,130	-	-	-	-
Cash assets at the end of the reporting period	2,687	1,092	3,326	11,385	8,634	7,973	7,312

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

(b) Regional Community Services Fund - \$0 (2009-10), \$0 (2010-11), \$0 (2010-11 Estimated Out Turn), \$11.6 million (2011-12), \$0.7 million (2012-13), \$0 (2013-14), \$0 (2014-15).

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:

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Grants and Subsidies	197	300	200	200	200	100	100
GST Input Credits	1,625	1,666	1,567	1,655	1,671	1,405	1,381
Other Receipts	1,131	890	952	1,176	1,525	2,740	2,765
TOTAL.....	2,953	2,856	2,719	3,031	3,396	4,245	4,246

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

Part 13

Minister for Transport; Housing

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2010-11 Budget \$' 000	2010-11 Estimated Actual \$' 000	2011-12 Budget Estimate \$' 000
649	Transport			
	- Delivery of Services.....	131,652	139,013	132,916
	- Administered Grants, Subsidies and Other Transfer Payments.....	329	329	329
	- Capital Appropriation.....	12,956	9,859	9,020
	Total	144,937	149,201	142,265
662	Commissioner of Main Roads			
	- Delivery of Services.....	551,093	551,281	661,656
	- Capital Appropriation.....	269,825	233,175	310,985
	Total	820,918	784,456	972,641
678	Public Transport Authority of Western Australia			
	- Delivery of Services.....	754,163	733,859	811,130
	- Capital Appropriation.....	88,721	88,721	216,904
	Total	842,884	822,580	1,028,034
701	Housing Authority			
	- Delivery of Services.....	16,976	16,976	103,131
	- Capital Appropriation.....	374,574	374,574	169,521
	Total	391,550	391,550	272,652
	GRAND TOTAL			
	- Delivery of Services.....	1,453,884	1,441,129	1,708,833
	- Administered Grants, Subsidies and Other Transfer Payments.....	329	329	329
	- Capital Appropriation.....	746,076	706,329	706,430
	Total.....	2,200,289	2,147,787	2,415,592

TRANSPORT

PART 13 - MINISTER FOR TRANSPORT; HOUSING

DIVISION 55

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2009-10 Actual ^(a) \$'000	2010-11 Budget ^(a) \$'000	2010-11 Estimated Actual ^(a) \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 86 Net amount appropriated to deliver services	125,346	131,319	137,989	131,858	118,322	123,564	129,286
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975.....	318	333	1,024	1,058	1,090	1,122	1,156
Total appropriations provided to deliver services	125,664	131,652	139,013	132,916	119,412	124,686	130,442
ADMINISTERED TRANSACTIONS							
Item 87 Western Australian Coastal Shipping Commission.....	329	329	329	329	329	329	329
CAPITAL							
Item 148 Capital Appropriation.....	9,010	12,956	9,859	9,020	6,626	6,555	124,838
TOTAL APPROPRIATIONS	135,003	144,937	149,201	142,265	126,367	131,570	255,609
EXPENSES							
Total Cost of Services	273,296	306,155	316,254	327,396	305,317	311,882	313,260
Net Cost of Services ^(b)	102,016	119,468	124,735	124,373	99,247	104,238	(238,529)
CASH ASSETS ^(c)	71,254	71,327	78,335	97,189	128,504	156,871	177,827

- (a) Corporate Services function was transferred from the Department of Planning in 2010-11. As such, 2009-10 Actual, 2010-11 Budget and 2010-11 Estimated Actual financial data has been backcast for comparability purposes.
- (b) 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.
- (c) As at 30 June each financial year.

MAJOR SPENDING CHANGES

Details of major decisions impacting on the agency's Income Statement since publication of the 2010-11 Budget to Parliament on 20 May 2010 are outlined below.

	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Accommodation Leasing Costs	-	1,211	1,263	1,318	1,375
Civil Service Association General Agreement	212	536	996	1,360	1,405
Enhanced Speed Enforcement Program	2,360	2,100	2,170	2,230	2,230
Grain Freight Network - Transitional Assistance Package	-	6,332	-	-	-
Infrastructure and Communications Technology Delivery to Other Agencies	1,340	1,340	1,340	1,340	1,340
Perth Parking Fund Central Area Transit (CAT) Services	1,020	1,175	1,620	2,080	2,094
Portlinks Project - Planning.....	-	5,000	-	-	-
Royalties for Regions - Country Age Pension Fuel Card Scheme.....	4,550	6,049	3,700	3,650	23,201
Seniors Card Concessions	-	54	54	54	54
Transfer of Corporate Services Function to the Department of Planning	(6,181)	(6,181)	(6,181)	(6,181)	(6,181)
Transfer of Planning Function from Public Transport Authority	4,950	2,575	2,652	2,732	2,732
Transit Concept and Feasibility Studies	(300)	3,550	2,250	-	-
Transport Network Planning	550	800	-	-	-

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 goals 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
Results-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 and Services Development, Planning, Operation and Regulation
	Vehicles and Road users that meet established vehicle standards and driver competencies.	2. Motor Vehicle and Driver Licensing Services
State Building - Major Projects: Building strategic infrastructure that will create jobs and underpin Western Australia's long-term economic development.	Integrated transport systems that facilitate economic development.	3. Strategic Transport Policy 4. Integrated Transport Planning

Service Summary

Expense	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
1. Transport System and Services Development, Planning, Operation and Regulation.....	117,244	141,380	144,601	141,859	132,292	135,137	135,734
2. Motor Vehicle and Driver Licensing Services	140,028	147,171	156,899	158,501	147,812	150,990	151,657
3. Strategic Transport Policy	6,494	7,491	4,650	9,269	8,644	8,830	8,869
4. Integrated Transport Planning	9,530	10,113	10,104	17,767	16,569	16,925	17,000
Total Cost of Services.....	273,296	306,155	316,254	327,396	305,317	311,882	313,260

Significant Issues Impacting the Agency

- The economic outlook requires development of long-term strategies for managing the freight task across Western Australia. The Department is presently progressing the development of strategic freight network plans for regional Western Australia and metropolitan Perth, with both scheduled for completion in 2012. The purpose of the strategies is to guide future development of the freight transport network to successfully respond to the needs of the growing Western Australian economy and population by quantifying significant future freight demands and long-term transport needs of metropolitan and regional industries and communities. The strategies will assist in the prioritisation of appropriate policies, projects and programs to meet long-term freight network requirements to facilitate economic growth and ensure optimal network performance. This will include providing guidance about port developments in the Pilbara and the role of Government in major transport infrastructure investment.

- A growing Perth metropolitan population, together with urban sprawl and underlying car dependence, continues to result in a range of environmental, social and economic consequences including traffic congestion. A transport policy response for a more sustainable transport system that is characterised by a high quality integrated public transport network and well planned walking and cycling facilities to reduce car dependence is required. An example of this is the extension to CAT bus services provided for in this Budget.
- Increasing demand is being placed on the Department in relation to the Council of Australian Governments (COAG) Road Reform Plan, the development of national systems for rail, and maritime, and heavy vehicle regulation. The Department continues to work on the development of several national policies including a National Ports Strategy and a National Land Freight Strategy, both of which will impact on the State's funding applications to Infrastructure Australia for major transport infrastructure projects.
- Economic growth is increasing pressure on the ports' capacity to respond to the consequences of that growth. As a result, the Department is playing an increased role in strategic ports planning and the coordination of ports asset investment programs.
- Significantly increased North West shipping movements/volumes requires a new and integrated management plan with the Commonwealth Government, to effectively enhance safety, mitigate marine pollution and achieve uninterrupted commerce.
- The Department has introduced the Minister for Transport's Taxi Action Plan (TAP), which outlines how the metropolitan taxi industry can meet the challenges of the substantial increases in demand. The taxi industry is facing a number of challenges as it attempts to meet the demands of changing societal circumstances, and future population and economic growth. The TAP addresses issues such as taxi availability and viability, service levels, driver and passenger security, new security measures and further fee regulation. Also, driver training requires a new policy framework and new competency and compliance assessment tools. An example of this is the \$7.7 million upgrade and installation of security cameras in all taxis provided for in this Budget.
- Strategic planning and development of a number of regional maritime facilities is required in response to increased infrastructure demands from the resources sector, maritime support services, recreational users and the tourism industry.
- A State-wide Mooring Strategy will reinforce regulations to enable the effective management of moorings in navigable waters under State jurisdiction in order to address the proliferation of unauthorised moorings across the State. The Strategy will address the adverse impact unauthorised moorings are having on public safety and the environment and recommend ways to meet growing demands of industry and the recreational boating community, ensuring equity of access to suitable mooring locations.
- A growing population and changing economic conditions have placed demands on Driver and Vehicle Services. A significant in-house reform program will deliver solutions to address this growing demand. This program will drive innovative changes to customer service delivery, help develop smarter online services to keep pace with technology, and will introduce a new range of policy initiatives to ensure improved safety on our roads.

Outcomes and Key Effectiveness Indicators ^(a)

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Outcome: An accessible and safe transport system:					
Standard metropolitan (non multi-purpose) taxi jobs that were not covered	1.18%	1.00%	1.55%	1.00%	
The frequency, the waiting time standard, for metropolitan area taxis, is met	91.80%	90.00%	89.96%	91.00%	
The time coastal infrastructure is fit for purpose when required	99.87%	99.65%	99.69%	99.71%	
Number of serious rail accidents per million train kilometres	4.05	3.3	3.6	3.3	
Rate of reported incidents (accidents) on the water per 10,000 registered recreational vessels	9.5	9.0	9.4	9.0	
Rate of reported incidents (accidents) on the water per 100 commercial vessels surveyed under the Western Australian Marine Act 1982	5.11	4.00	4.25	4.00	
Regional airports receiving scheduled regular public transport air services	96%	100%	100%	100%	
Outcome: Vehicles and Road users that meet established vehicle standards and driver competencies:					
Motor Vehicle examinations completed in accordance with the Australian Design Rules assessed by independent audit	98%	100%	99%	100%	
Driver licences issued that comply with the Graduated Driver Training and Licensing system assessed by independent audit	92%	100%	86%	100%	
Outcome: Integrated transport systems that facilitate economic development:					
Containerised freight transported via rail in relation to total metropolitan container movements to and from Fremantle port	10.89%	16.00%	12.00%	13.00%	

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

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

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

This service contributes to the Government's Framework for Strategic Management goal, 'Results-Based Service Delivery', by incorporating:

Transport System, Service, Development, Planning and Operation:

- 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:

- regulating intrastate air services to ensure that key Western Australian regional communities receive sustainable regular public transport air services;
- 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;

- provision and management of infrastructure including small craft facilities and marine navigation aids, to maintain safe and accessible transport operations;
- 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;
- regulation of jetties through licensing;
- marine and transport related data collection, analysis and dissemination; and
- provision of cartographic information services.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 117,244	\$'000 141,380	\$'000 144,601	\$'000 141,859	
Less Income.....	93,270	92,297	90,387	96,597	
Net Cost of Service	23,974	49,083	54,214	45,262	
Employees (Full Time Equivalents)	232	263	283	285	
Efficiency Indicators					
Average Cost per Household Contacted under the TravelSmart Scheme.....	\$204.21	\$335.51	\$165.07	\$145.48	
Cost of Regulation per Taxi Plate Administered	-	\$4,135.35	\$3,095.45	\$3,317.94	
Average Cost per Day per Maritime Infrastructure Asset Managed.....	\$69.61	\$63.07	\$58.32	\$55.17	
Average Survey Cost per Commercial Vessel.....	\$2,662	\$3,210.53	\$2,427.06	\$2,365.84	
Average Cost per Private Recreational Vessel Registration	\$93.87	\$104.01	\$106.43	\$111.00	
Cost to Maintain Pollution Response Preparedness per Registered Vessel	\$34.96	\$29.08	\$17.12	\$17.62	

2: Motor Vehicle and Driver Licensing Services

The *Road Traffic Act 1974* confers on the Department the responsibility for licensing the State's drivers and 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 licensed before they may lawfully be used on the road. Licensing is confirmed only where a vehicle is roadworthy.

This service contributes to the Government's Framework for Strategic Management goal, 'Results-Based Service Delivery', by incorporating:

- setting motor vehicle standards in accordance with national and State Government requirements, examining motor vehicles for compliance with those standards and licensing and transferring compliant motor vehicles;
- setting standards and requirements within government policies for the issue of a license to drive on roads;
- assessing driver competency, issuing and renewing driver licenses in accordance with national and State Government requirements and driver competency standards;
- maintaining a database of licensed 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 and related requirements.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 140,028	\$'000 147,171	\$'000 156,899	\$'000 158,501	
Less Income.....	71,270	93,711	100,157	105,936	
Net Cost of Service	68,758	53,460	56,742	52,565	
Employees (Full Time Equivalents)	795	893	1,032	1,040	
Efficiency Indicators					
Average Cost per Vehicle and Driver Transaction	\$17.46	\$17.57	\$18.21	\$17.76	
Average Cost per Vehicle Inspection	\$90.46	\$78.22	\$75.32	\$74.06	
Average Cost per Driver Assessment	\$87.06	\$66.25	\$64.57	\$64.15	
Driver Licence Cards Issued within 21 Days of Completed Application	99.80%	99%	99%	99%	

3: Strategic Transport Policy

This service contributes to the achievement of the desired Transport outcome, where integrated transport systems facilitate economic development by providing leadership for strategic transport issues. It contributes to the Government's Framework for Strategic Management goal 'State Building - Major Projects' by shaping the pattern of transport system development through:

- provision of an integrated transport policy framework to guide Government and the private sector in decision making;
- the provision and coordination of integrated State-wide transport policy, including that of national significance and employing initiatives that may involve multi-modal solutions; and
- ensuring the transport policy framework supports cost effective transport systems and services.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 6,494	\$'000 7,491	\$'000 4,650	\$'000 9,269	
Less Income.....	5	-	929	438	
Net Cost of Service	6,489	7,491	3,721	8,831	
Employees (Full Time Equivalents)	52	80	67	68	
Efficiency Indicators					
Average Cost per Policy Hour for Strategic Transport Policy Development	\$73.26	\$118.25	\$63.77	\$65.96	

4: Integrated Transport Planning

This service contributes to the achievement of the desired Transport outcome, where integrated transport systems facilitate economic development by providing leadership for strategic transport issues. It contributes to the Government's Framework for Strategic Management goal 'State Building - Major Projects' by shaping the pattern of transport system development through:

- developing an agreed State-wide Integrated Transport Strategy;
- developing multi-modal network plans;
- undertaking State-wide capital investment planning, evaluation and prioritisation;
- integrated planning for major transport system projects;
- development of funding principles and pricing signals to ensure appropriate development and use of transport assets;
- improving freight access to key terminals, improving freight flows and increasing competitiveness through reduced costs;
- reducing the costs associated with road trauma by enhancing the accessibility and safety of public transport systems;
- providing for the efficient distribution of goods and services to business and the community;
- ensuring flexibility to meet the demands of a changing economy and market environments; and
- enabling commuter access to industrial centres and to the services and goods they require.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 9,530	\$'000 10,113	\$'000 10,104	\$'000 17,767	
Less Income.....	6,735	679	46	52	
Net Cost of Service	2,795	9,434	10,058	17,715	
Employees (Full Time Equivalents)	58	78	75	75	
Efficiency Indicators					
Average Cost per Planning Hour for Integrated Transport Planning Development	\$99.48	\$121.05	\$90.42	\$88.46	

ASSET INVESTMENT PROGRAM

The Department's planned asset investment for 2011-12 is \$42.6 million.

Major projects include:

Carnarvon Boat Ramp

The ramp will provide the main boating access point in the region for trailed vessels. It will comprise two lanes with two boat holding jetties. Parking and onshore facilities will be provided for about 80 trailer parking bays. A small dredged channel will connect the ramp to the main channel in the fascine waterway.

Broome Boating Facility - Stage One

The Broome Boating Facility is planned to be located in west Roebuck Bay, within the boundary of the Port of Broome and will accommodate the needs of the local small-craft fleet. Subject to appropriate investigations and approvals, the Facility will comprise a major boat launching ramp, sheltering breakwater, dredged basin and floating jetty. The ramp will meet the needs of the regional boating community. Located adjacent to the existing Port slipway the ramp will permit the use of wheeled jinkers to remove vessels from the water in the event of a cyclone alert. The floating jetty is being designed to cater for the loading and offloading passengers and equipment from charter vessels.

Maritime Facilities Program

The Maritime Facilities Program assists with asset replacement and the provision of additional public maritime infrastructure throughout the State. The funding assists the Department to meet future boating demands through the provision of boating infrastructure both in the metropolitan and regional areas.

Exmouth Floating Pens

The construction of the floating pens, through the prepayment of pen use licences, addresses the critical shortage of boat mooring pens in the region, supports the development of marine tourism and recreational activities and enhances business opportunities.

Batavia Coast Marina - Additional Boat Mooring Pens

The construction of additional floating pens will address a critical shortage of facilities at this location. Project expenditure is to be funded by users prepaying the license fee of their pen. The additional pens will support the development of marine tourism and recreational activities in the area.

Wyndham Port Facilities Upgrade

Funding has been secured from the Commonwealth for the upgrade of the port facilities at Wyndham. Many of the existing assets were constructed in the 1960s and 1970s and some of the port assets have reached the end of their design life and require replacement or upgrade. These works are essential for the port infrastructure to cater for the existing use and meet expected demand in future years.

Driver and Vehicle Services Reform Program

This program of works is for streamlining and modernising the delivery of licensing services. Funding in 2011-12 provides for the continuation of the upgrade to the Transport Executive and Licensing Information System and self service applications to enable more customers to transact online.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
Coastal Infrastructure							
Batavia Coast Marina - Additional Boat Mooring Pens	3,852	2,407	2,401	1,445	-	-	-
Broome Boating Facility - Stage One ^(a)	35,000	1,250	1,250	18,750	15,000	-	-
Carnarvon Boat Ramp Project ^(a)	3,000	1,900	1,900	1,100	-	-	-
Exmouth 46 Floating Pens.....	2,306	7	7	2,299	-	-	-
Maritime Facilities Program.....	93,579	15,771	5,192	5,353	3,026	5,795	10,592
Wyndham Port Facility Upgrade.....	10,000	4,105	3,934	5,895	-	-	-
Corporate							
Accommodation and Refurbishment	7,619	1,683	990	391	535	445	449
Office Accommodation - Exmouth	426	409	409	17	-	-	-
Driver and Vehicle Services							
Driver and Vehicle Services Reform Program	52,911	16,538	3,614	5,860	1,713	2,934	3,466
Marine Safety							
Marine Oil Pollution Response Equipment							
Enhancement/Replacement Program	1,465	585	119	80	80	80	80
Navigational Aids Program	11,046	574	574	561	944	810	850
Vessel Replacement	3,769	1,599	635	470	170	170	170
Minor works.....	6,711	1,240	757	400	158	207	1,051
COMPLETED WORKS							
Coastal Infrastructure							
Albany Waterfront and Convention Centre.....	12,800	12,800	4,799	-	-	-	-
Hillarys Boat Harbour - Facility Refurbishment.....	7,755	7,755	29	-	-	-	-
Hillarys Boat Harbour - Replacement Pens.....	1,973	1,973	1,835	-	-	-	-
NEW WORKS							
Nation Building Program 2	458,000	-	-	-	-	-	458,000
Total Cost of Asset Investment Program.....	712,212	70,596	28,445	42,621	21,626	10,441	474,658
FUNDED BY							
Capital Appropriation.....			9,859	9,020	6,626	6,555	124,838
Commonwealth Grants.....			-	-	-	-	340,000
Internal Funds and Balances.....			15,436	13,751	-	3,886	9,820
Drawdowns from Royalties for Regions Fund ^(b)			3,150	19,850	15,000	-	-
Total Funding			28,445	42,621	21,626	10,441	474,658

(a) Capital works funded from the Royalties for Regions Fund.

(b) Regional Infrastructure and Headworks Fund.

FINANCIAL STATEMENTS

INCOME STATEMENT ^(a)
(Controlled)

	2009-10 Actual ^(b)	2010-11 Budget ^(b)	2010-11 Estimated Actual ^(b)	2011-12 Budget Estimate	2012-13 Forward Estimate	2013-14 Forward Estimate	2014-15 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(c)	104,498	114,538	117,218	119,678	122,417	124,505	125,939
Grants and subsidies ^(d)	63,447	85,568	83,870	101,045	84,100	83,448	74,685
Supplies and services	53,451	60,038	67,820	59,991	51,040	54,910	63,014
Accommodation	8,314	12,573	12,367	14,155	14,293	14,433	14,517
Depreciation and amortisation	11,506	10,797	11,442	11,442	11,442	11,442	11,442
Other expenses	32,080	22,641	23,537	21,085	22,025	23,144	23,663
TOTAL COST OF SERVICES	273,296	306,155	316,254	327,396	305,317	311,882	313,260
Income							
Sale of goods and services	14,930	16,082	15,755	16,395	16,880	17,380	17,894
Regulatory fees and fines	111,482	123,412	122,926	126,632	130,188	133,812	137,552
Grants and subsidies	27,919	26,194	29,634	28,344	24,312	23,934	363,485
Other revenue	16,949	20,999	23,204	31,652	34,690	32,518	32,858
Total Income	171,280	186,687	191,519	203,023	206,070	207,644	551,789
NET COST OF SERVICES	102,016	119,468	124,735	124,373	99,247	104,238	(238,529)
INCOME FROM STATE GOVERNMENT							
Service appropriations	125,664	131,652	139,013	132,916	119,412	124,686	130,442
Resources received free of charge	1,962	1,929	1,929	1,949	1,969	1,989	1,989
Royalties for regions fund ^(e)	5,510	12,010	4,830	22,933	10,000	10,000	-
TOTAL INCOME FROM STATE GOVERNMENT	133,136	145,591	145,772	157,798	131,381	136,675	132,431
SURPLUS/(DEFICIENCY) FOR THE PERIOD	31,120	26,123	21,037	33,425	32,134	32,437	370,960
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	31,120	26,123	21,037	33,425	32,134	32,437	370,960

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

(b) Corporate Services function was transferred from the Department of Planning in 2010-11. As such, 2009-10 Actual, 2010-11 Budget and 2010-11 Estimated Actual financial data has been backcast for comparability purposes.

(c) The Full Time Equivalents (FTEs) for 2009-10 Actual, 2010-11 Estimated Actual and 2011-12 Estimates are 1,137, 1,457 and 1,468 respectively. In some cases the figures for 2009-10 and 2010-11 may differ from previously published figures due to changes in calculation methodology.

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

(e) Regional Infrastructure and Headworks Fund - \$5.5 million (2009-10), \$12.0 million (2010-11), \$4.8 million (2010-11 Estimated Out Turn), \$22.9 million (2011-12), \$10.0 million (2012-13), \$10.0 million (2013-14), \$0 (2014-15).

Details of Controlled Grants and Subsidies

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Aviation (Public Air Route) Subsidies	1,199	852	852	852	852	852	852
Coastal Projects and Zone Management	1,131	1,093	1,057	1,057	1,057	1,057	1,057
Community Police.....	695	820	820	820	820	820	820
Country Age Pension Fuel Card Scheme	12,769	20,050	21,630	23,676	21,154	23,368	23,201
Emergency Vehicle Insurance.....	82	120	120	120	120	120	120
Fare Subsidies (Pensioners).....	1,216	1,590	1,590	1,590	1,590	1,590	1,590
Fremantle Port Rail Service	2,081	2,100	2,100	-	-	-	-
Grain Freight Network Rescue - Transitional Assistance Package.....	2,120	4,088	4,088	7,732	1,400	1,400	1,400
Liquefied Petroleum Gas (LPG) Subsidy Scheme	952	-	-	-	-	-	-
Marine Communications	469	469	469	469	469	469	469
Marine Safety	227	236	236	234	234	234	234
Metropolitan Taxi Camera Surveillance Unit Replacement Project	-	-	-	4,360	2,710	670	-
Milligan Street Taxi Rank - Safer Northbridge Initiative	-	-	1,370	-	-	-	-
National Transport Commission.....	344	240	647	568	542	296	306
North West Shipping Service	5,830	11,000	11,000	8,573	8,573	8,573	8,573
Other Grants and Subsidies	893	1,091	2,221	2,341	1,977	885	2,935
Perth Bicycle Network/Country Pathways	2,537	2,660	2,660	2,660	2,660	2,660	2,660
Port of Wyndham	2,037	2,042	2,053	2,053	2,194	2,194	2,194
Public Transport Authority - Perth Parking Fund CAT Services	9,817	12,236	13,256	12,936	13,218	13,678	13,692
Recreational Boat Facilities.....	1,064	1,300	1,300	1,500	1,500	1,500	1,500
Regional Airport Development Scheme	7,595	7,450	5,070	10,073	6,940	6,940	1,940
Royalties for Regions - Regional Recreational Boat Facilities.....	-	5,000	1,700	8,300	5,000	5,000	-
Royalties for Regions - Tantibiddi Boat Ramp ...	-	1,500	-	1,500	-	-	-
Student Fare Concessions.....	1,002	1,241	1,241	1,241	1,472	1,472	1,472
Taxi User Subsidy Scheme.....	9,324	8,390	8,390	8,390	9,618	9,670	9,670
TravelSmart, Pedestrian Projects.....	63	-	-	-	-	-	-
TOTAL.....	63,447	85,568	83,870	101,045	84,100	83,448	74,685

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2009-10 Actual ^(b)	2010-11 Budget ^(b)	2010-11 Estimated Actual ^(b)	2011-12 Budget Estimate	2012-13 Forward Estimate	2013-14 Forward Estimate	2014-15 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
CURRENT ASSETS							
Cash assets	26,663	15,340	19,350	25,860	43,021	55,104	56,521
Restricted cash.....	43,401	55,110	57,776	70,101	84,236	100,520	120,059
Receivables	6,190	2,427	6,190	6,190	6,190	6,190	6,190
Other.....	1,191	1,166	1,191	1,191	1,191	1,191	1,191
Total current assets.....	77,445	74,043	84,507	103,342	134,638	163,005	183,961
NON-CURRENT ASSETS							
Holding account receivables.....	107,234	120,122	121,441	135,648	149,855	164,061	178,267
Property, plant and equipment.....	295,708	320,543	318,069	354,021	369,762	369,442	833,339
Intangibles	15,143	16,268	13,617	11,591	9,065	8,384	7,703
Restricted cash.....	1,190	877	1,209	1,228	1,247	1,247	1,247
Other.....	-	82	(645)	-	-	-	-
Total non-current assets	419,275	457,892	453,691	502,488	529,929	543,134	1,020,556
TOTAL ASSETS.....	496,720	531,935	538,198	605,830	664,567	706,139	1,204,517
CURRENT LIABILITIES							
Employee provisions	13,341	10,465	13,341	13,341	13,341	13,341	13,341
Payables.....	6,572	4,295	6,572	6,572	6,572	6,572	6,572
Other.....	6,667	5,942	6,953	5,681	5,967	6,253	6,069
Total current liabilities	26,580	20,702	26,866	25,594	25,880	26,166	25,982
NON-CURRENT LIABILITIES							
Employee provisions	6,260	9,806	9,024	11,788	14,552	17,316	20,080
Other.....	101	2,851	1,295	1,747	642	172	172
Total non-current liabilities	6,361	12,657	10,319	13,535	15,194	17,488	20,252
TOTAL LIABILITIES	32,941	33,359	37,185	39,129	41,074	43,654	46,234
EQUITY							
Contributed equity.....	421,295	441,972	437,492	469,755	494,413	500,968	625,806
Accumulated surplus/(deficit)	11,364	30,481	11,364	44,789	76,923	109,360	480,320
Total equity.....	432,659	472,453	448,856	514,544	571,336	610,328	1,106,126
TOTAL LIABILITIES AND EQUITY	465,600	505,812	486,041	553,673	612,410	653,982	1,152,360

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

(b) Corporate Services function was transferred from the Department of Planning in 2010-11. As such, 2009-10 Actual, 2010-11 Budget and 2010-11 Estimated Actual financial data has been backcast for comparability purposes.

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2009-10 Actual ^(b) \$'000	2010-11 Budget ^(b) \$'000	2010-11 Estimated Actual ^(b) \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	112,818	118,806	124,807	118,710	105,206	110,480	116,236
Capital appropriation.....	9,010	12,956	9,859	9,020	6,626	6,555	124,838
Royalties for regions fund ^(c)	5,510	20,010	7,980	42,783	25,000	10,000	-
Net cash provided by State Government.....	127,338	151,772	142,646	170,513	136,832	127,035	241,074
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(100,295)	(112,202)	(114,168)	(116,628)	(119,367)	(121,455)	(122,889)
Grants and subsidies.....	(62,089)	(85,568)	(83,870)	(101,045)	(84,100)	(83,448)	(74,685)
Supplies and services.....	(46,186)	(55,815)	(63,117)	(55,305)	(46,324)	(50,164)	(58,258)
Accommodation.....	(8,349)	(12,762)	(12,556)	(14,344)	(14,482)	(14,622)	(14,517)
Other payments.....	(50,145)	(25,854)	(27,229)	(24,740)	(25,690)	(26,819)	(27,537)
Receipts							
Regulatory fees and fines.....	65,623	70,460	69,974	70,686	72,769	75,511	77,688
Grants and subsidies.....	27,356	26,194	29,634	28,344	24,312	23,934	363,485
Sale of goods and services.....	14,907	16,082	15,755	16,395	16,880	17,380	17,894
Taxation.....	44,413	54,146	54,146	54,840	56,314	57,831	59,394
GST receipts.....	14,186	1,107	1,107	1,107	1,107	1,107	1,107
Other receipts.....	16,210	20,999	23,204	31,652	34,690	32,518	32,858
Net cash from operating activities.....	(84,369)	(103,213)	(107,120)	(109,038)	(83,891)	(88,227)	254,540
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(19,053)	(37,741)	(28,445)	(42,621)	(21,626)	(10,441)	(474,658)
Proceeds from sale of non-current assets.....	16	-	-	-	-	-	-
Net cash from investing activities.....	(19,037)	(37,741)	(28,445)	(42,621)	(21,626)	(10,441)	(474,658)
NET INCREASE/(DECREASE) IN CASH HELD.....	23,932	10,818	7,081	18,854	31,315	28,367	20,956
Cash assets at the beginning of the reporting period.....	-	60,509	71,254	78,335	97,189	128,504	156,871
Net cash transferred to/from other agencies.....	47,322	-	-	-	-	-	-
Cash assets at the end of the reporting period.....	71,254	71,327	78,335	97,189	128,504	156,871	177,827

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

(b) Corporate Services function was transferred from the Department of Planning in 2010-11. As such, 2009-10 Actual, 2010-11 Budget and 2010-11 Estimated Actual financial data has been backcast for comparability purposes.

(c) Regional Infrastructure and Headworks Fund - \$5.5 million (2009-10), \$20.0 million (2010-11), \$8.0 million (2010-11 Estimated Out Turn), \$42.8 million (2011-12), \$25.0 million (2012-13), \$10.0 million (2013-14), \$0 (2014-15).

DETAILS OF ADMINISTERED TRANSACTIONS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
INCOME							
Taxation							
Conservancy Fees.....	318	304	304	314	323	333	343
Motor Vehicle Licence Fees.....	484,203	502,937	507,937	537,272	565,637	597,834	627,650
Motor Vehicle Recording Fees.....	42,754	44,820	44,820	46,930	48,338	49,788	51,282
Fines							
Speed and Red Light Fines ^(a)	42,009	92,907	51,479	77,187	84,906	92,625	92,625
Final Demand Fees.....	1,212	1,200	1,517	2,000	2,000	2,000	2,000
Plate and Transfer Infringements	5,900	6,400	6,400	6,400	6,400	6,400	6,400
Other Fines	28,221	31,278	31,790	26,587	30,230	28,669	27,107
Other							
Motor Drivers' Licences.....	39,445	37,809	37,809	38,652	32,715	36,934	39,630
Firearm Licence Fees	3,196	3,204	3,480	3,600	3,740	3,900	3,985
Dealer Plates Annual Fees.....	281	220	220	220	227	234	241
Appropriation	329	329	329	329	329	329	329
TOTAL INCOME	647,868	721,408	686,085	739,491	774,845	819,046	851,592
EXPENSES							
Statutory Authorities							
Western Australian Coastal Shipping Commission.....	329	329	329	329	329	329	329
Other							
Payments to Consolidated Account.....	633,536	690,110	668,596	687,704	689,610	726,092	758,638
Payment to Road Trauma Trust Fund ^(b)	14,003	30,969	17,160	51,458	84,906	92,625	92,625
TOTAL EXPENSES	647,868	721,408	686,085	739,491	774,845	819,046	851,592

- (a) Speed and Red Light Fines includes money received by both the Department of Transport and the Fines Enforcement Agency.
- (b) In April 2011, the Government announced its approval to change the hypothecation rate for the payment of one third of speed and red light camera fines revenue to the Road Trauma Trust Fund (RTTF). From 2011-12 two thirds of revenue collected will be paid to the RTTF, and thereafter from 2012-13 100% will be paid to the RTTF.

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:

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Boat Registration Fees	11,685	13,477	11,902	12,392	13,018	13,626	14,256
Jetty Licences	505	460	460	521	536	552	569
Marine Examinations	252	858	744	766	789	813	837
Motor Drivers.....	14,289	17,054	16,095	17,005	17,515	18,041	18,582
Motor Vehicle Plates	10,640	14,544	14,545	13,697	13,936	14,183	14,436
Motor Vehicles.....	20,250	22,874	22,874	23,504	24,209	24,936	25,684
Other Revenue.....	686	628	678	668	675	680	689
Proof of Age Card.....	667	551	551	551	567	584	602
Recoup for Services Provided	14,041	15,521	15,520	16,160	16,644	17,144	17,658
Temporary Permits.....	701	633	633	633	652	671	691
TOTAL.....	73,716	86,600	84,002	85,897	88,541	91,230	94,004

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 13 - MINISTER FOR TRANSPORT; HOUSING

DIVISION 56

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 88 Net amount appropriated to deliver services	170,319	162,814	157,002	216,255	205,250	216,669	215,614
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975.....	338	352	352	365	377	389	401
- Road Traffic Act 1974.....	407,732	387,927	393,927	445,036	495,875	497,045	573,379
Total appropriations provided to deliver services	578,389	551,093	551,281	661,656	701,502	714,103	789,394
CAPITAL							
Item 149 Capital Appropriation ^(a)	263,048	150,715	114,065	213,519	216,386	244,313	48,931
Amount Authorised by Other Statutes							
- Road Traffic Act 1974.....	81,641	119,110	119,110	97,466	75,162	106,389	60,071
TOTAL APPROPRIATIONS	923,078	820,918	784,456	972,641	993,050	1,064,805	898,396
EXPENSES							
Adjusted Total Cost of Services ^(b)	1,311,110	1,214,545	1,168,561	1,470,849	1,620,915	1,561,504	1,193,996
Adjusted Net Cost of Services ^(c)	1,022,727	916,040	891,792	1,038,129	1,079,969	1,164,770	985,021
CASH ASSETS ^(d)	265,586	197,021	255,169	287,654	320,540	357,839	408,372

- (a) Capital Appropriation includes funding for loan repayments consisting of \$5.3 million in 2009-10 and \$5.0 million per annum 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 SPENDING CHANGES

Details of major decisions impacting on the agency's Income Statement since publication of the 2010-11 Budget to Parliament on 20 May 2010 are outlined below.

	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CHOGM 2011 - Traffic Support	-	1,500	-	-	-
Grain Freight Network	-	20,765	25,750	5,300	25,750
Local Government Roads	1,350	1,406	1,444	1,485	9,535
Mitchell Freeway Widening (Hepburn Avenue to Hodges Drive)	-	-	-	100	125
Murdoch Drive Intersection Upgrade.....	-	-	-	-	100
Road Asset Improvement	6,000	-	-	-	-
Road Maintenance.....	3,650	3,805	3,906	10,015	40,781
Road Trauma Trust Fund ^(a)	(16,368)	(11,907)	(9,334)	(6,761)	(6,761)
Royalties for Regions - Karratha Wickham Coast Road	-	2,500	-	-	-

- (a) Expenditure from the Road Trauma Trust Fund has been reduced due to revising down estimated speed and red light camera infringement revenue over the forward estimates.

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*.

Responsible Minister	Services
Minister for Transport; Housing	1. Road Safety 2. Road System Management 3. Road Efficiency Improvements 4. Infrastructure for Community Access 5. Road Network Maintenance 6. Infrastructure for State Development
Minister for Police; Emergency Services; Road Safety	7. Office of Road Safety

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 goals 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
Results-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
	Improve coordination and community awareness of road safety in Western Australia.	7. Office of Road Safety
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	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
1. Road Safety	166,449	89,261	89,226	85,796	72,168	69,550	70,145
2. Road System Management	92,020	82,998	86,960	81,685	120,569	126,249	142,212
3. Road Efficiency Improvements	202,471	256,150	269,151	461,108	450,482	518,439	222,554
4. Infrastructure for Community Access	32,382	27,969	27,839	29,027	14,168	18,413	19,572
5. Road Network Maintenance	502,007	499,188	527,401	584,066	608,214	651,365	688,778
6. Infrastructure for State Development	286,171	220,681	136,832	199,748	321,874	140,975	13,658
7. Office of Road Safety	29,610	38,298	31,152	29,419	33,440	36,513	37,077
Total Cost of Services.....	1,311,110	1,214,545	1,168,561	1,470,849	1,620,915	1,561,504	1,193,996

Significant Issues Impacting the Agency

- Main Roads in conjunction with the Department of Transport and the Department of State Development is involved in the planning, design and delivery of the State's response to the increasing requirements and demands of the State's resources sector on public infrastructure. This includes providing support for significant projects such as Bunbury Port Access, Perth Airport, Ashburton North, James Price Point Gas Precinct, Dampier Highway, the Gorgon project and the road networks located on the Burrup Peninsula.
- Main Roads provided significant input into the development of the Towards Zero State Road Safety Strategy and the National Road Safety Strategy due to be released in May 2011. The focus will now be on providing support in implementing both of these strategies. A boost to road safety funding will occur with increased revenue flows into the Road Trauma Trust Fund (RTTF) in addition to existing Black Spot funding.
- With traffic volumes increasing, including the quantity and capacity of heavy vehicles, it will be necessary to construct higher strength pavements on some urban freight routes. These pavements will deliver a lower whole of life cost at an initial higher capital cost.
- The majority of the Integrated Service Arrangements, for the more effective and efficient delivery of network operations, operational asset management maintenance delivery and other services, are in place. The focus is now on bedding down new processes and ensuring the successful delivery of services throughout the State.
- Identification and management of deferred maintenance works, including development of business cases to ensure the best outcomes in terms of Whole of Life Management of the State's ageing road network is progressing.
- There continues to be a significant amount of activity generated through the Council of Australian Governments reforms aimed at achieving a seamless integrated transport system including heavy vehicle productivity, regulation and possible future road pricing mechanisms.
- The resurgence of the resources sector continues to represent a risk in terms of attracting and retaining appropriate workforce capability.
- Collaboration with other agencies to ensure that the planning and management of traffic impacts associated with the 2011 Commonwealth Heads of Government Meeting are appropriate and meet the requirements of the Commonwealth Secretariat, international guests and all Western Australians.
- Delivering the remaining activities associated with the Nation Building Program 1, Memorandum of Understanding between the State Government and the Commonwealth Government.
- Minimising congestion and delays for road users in accessing existing and planned major developments in the Murdoch Drive Intersection Upgrade, including the Fiona Stanley Hospital, St John of God Hospital and Murdoch University.

Outcomes and Key Effectiveness Indicators ^(a)

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Outcome: A safe road environment:					
Community satisfaction with road safety	96%	90%	90%	90%	
Blackspot location indicator	11.0	12.3	11.0	11.0	
Outcome: Reliable and efficient movement of people and goods:					
Community satisfaction.....	97%	90%	90%	90%	
Road network permitted for use by heavy freight vehicles:					
- B-Doubles 27.5m	99%	98%	98%	98%	
- Double road trains 27.5m.....	98%	98%	98%	98%	
- Double road trains 36.5m.....	79%	79%	79%	79%	
- Triple road trains 53.5m.....	44%	44%	44%	44%	
Network configuration - roads	89%	87%	90%	90%	
Network configuration - bridges:					
- Strength	95%	95%	94%	95%	
- Width	94%	94%	94%	94%	
Outcome: Improved community access and roadside amenity:					
Percentage of the year that 100% of the Main Roads' state road network is available	95	70	80	70	
Community satisfaction with cycleways and pedestrian facilities.....	90%	85%	90%	90%	
Amenities meeting the mandatory facilities criteria in Main Roads' Roadside Stopping Places policy	31%	25%	31%	30%	
Outcome: A well maintained road network:					
Smooth travel exposure.....	97%	97%	97%	97%	
Community satisfaction with road maintenance.....	93%	90%	90%	90%	
Preventative maintenance indicator.....	76%	78%	83%	84%	
Performance of traffic signals, road lighting and emergency phones:					
- Availability of traffic signals.....	99%	99%	98%	99%	
- Availability of lighting	99%	99%	97%	99%	
- Availability of emergency telephones	99%	99%	99%	99%	
Outcome: Facilitate economic and regional development:					
Return on construction expenditure.....	2	2.1	2	2	
Outcome: Improve coordination and community awareness of road safety in Western Australia:					
Effectiveness of road safety awareness campaigns	100%	80%	90%	80%	

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

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.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 166,449	\$'000 89,261	\$'000 89,226	\$'000 85,796	
Less Income.....	-	5,000	6,485	6,485	
Net Cost of Service	166,449	84,261	82,741	79,311	
Employees (Full Time Equivalents)	49	50	48	48	
Efficiency Indicators					
Projects Completed on Time	59%	90%	50%	90%	
Projects Completed on Budget	95%	90%	90%	90%	

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.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 92,020	\$'000 82,998	\$'000 86,960	\$'000 81,685	
Less Income.....	24,156	521	-	-	
Net Cost of Service	67,864	82,477	86,960	81,685	
Employees (Full Time Equivalents)	575	564	551	551	
Efficiency Indicators					
Average Cost of Network Management per Million Vehicle Kilometres Travelled	\$3,474	\$3,470	\$3,468	\$3,509	

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.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 202,471	\$'000 256,150	\$'000 269,151	\$'000 461,108	1
Less Income.....	61,700	130,824	101,456	195,711	2
Net Cost of Service	140,771	125,326	167,695	265,397	
Employees (Full Time Equivalents)	88	96	89	89	
Efficiency Indicators					
Projects Completed on Time	44%	90%	40%	90%	
Projects Completed on Budget	89%	90%	92%	90%	

Explanation of Significant Movements

(Notes)

- The significant increases in Total Cost of Services between 2010-11 Estimated Actual and 2011-12 Budget Target is mainly due to the following works expected to be carried out in 2011-12:
 - \$35.0 million on Dampier Highway;
 - \$58.0 million on Great Eastern Highway, Kooyong to Tonkin;
 - \$28.0 million on Great Eastern Highway, Roe Highway Interchange; and
 - \$14.0 million on Eelup Rotary.
- The significant increase in Income between 2010-11 Estimated Actual and 2011-12 Budget Target is mainly due to Commonwealth contributions.

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.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 32,382	\$'000 27,969	\$'000 27,839	\$'000 29,027	
Less Income.....	-	3,891	-	-	
Net Cost of Service	32,382	24,078	27,839	29,027	
Employees (Full Time Equivalents)	28	28	28	28	
Efficiency Indicators					
Projects Completed on Time	86%	90%	100%	90%	
Projects Completed on Budget	71%	90%	100%	90%	

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 Integrated Service Arrangements.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 502,007	\$'000 499,188	\$'000 527,401	\$'000 584,066	1, 2
Less Income.....	84,410	53,131	113,735	81,952	
Net Cost of Service	417,597	446,057	413,666	502,114	
Employees (Full Time Equivalents)	149	142	146	146	
Efficiency Indicators					
Average Cost of Road Network Maintenance per Lane Kilometre of Network.....	\$6,184	\$5,900	\$6,000	\$6,700	

Explanation of Significant Movements

(Notes)

1. The variance in Total Cost of Services between 2010-11 Budget and 2010-11 Estimated Actual is mainly due to an increase in road maintenance and improvement activities funded by the Commonwealth and external entities.
2. The variance in Total Cost of Services between 2010-11 Estimated Actual and 2011-12 Budget Target is mainly due to State funded road maintenance works being deferred from 2010-11 to 2011-12.

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.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 286,171	\$'000 220,681	\$'000 136,832	\$'000 199,748	1, 2
Less Income.....	99,511	69,940	33,704	94,734	
Net Cost of Service	186,660	150,741	103,128	105,014	
Employees (Full Time Equivalents)	126	116	124	124	
Efficiency Indicators					
Projects Completed on Time	40%	90%	60%	90%	
Projects Completed on Budget	100%	90%	100%	90%	

Explanation of Significant Movements

(Notes)

1. The decrease in the Total Cost of Services between the 2010-11 Budget and 2010-11 Estimated Actual is mainly due to project delays associated with the Port Hedland Upgrade (\$22.0 million) and Kewdale Intermodal Terminal Network (\$10.0 million) and due to expenditure on projects such as the Mandurah Entrance Road (\$10.0 million), Lancelin Cervantes (\$11.0 million) and the Bunbury Port Access Road (\$6.0 million) brought forward into 2009-10 from 2010-11.
2. The Increase in Total Cost of Services between 2010-11 Estimated Actual and 2011-12 Budget Target is mainly due to significant capital expenditure of \$22.0 million for the Esperance Port Access Road and \$43.0 million for the Great Northern Highway - Port Hedland Upgrade expected in 2011-12.

7: Office of Road Safety

The objective of this program is to improve coordination and community awareness of road safety in Western Australia.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 29,610	\$'000 38,298	\$'000 31,152	\$'000 29,419	
Less Income ^(a)	18,606	35,198	21,389	53,838	1
Net Cost of Service	11,004	3,100	9,763	(24,419)	
Employees (Full Time Equivalents)	28	28	28	28	
Efficiency Indicators					
Office of Road Safety Projects Completed on Time	78%	90%	90%	90%	
Office of Road Safety Projects Completed on Budget	82%	90%	90%	90%	

(a) A boost to road safety funding will occur with increased revenue flows into the RTTF from 2011-12 in addition to existing Black Spot funding.

Explanation of Significant Movements

(Notes)

1. The increase in Income in 2011-12 Budget is due to the recent decision to credit two thirds of speed and red light camera infringement revenue into the RTTF. The additional funds will be allocated to projects, subject to the approval of business cases by Government.

ASSET INVESTMENT PROGRAM

The asset investment for Main Roads in 2011-12 is \$646.3 million, comprising the purchase of operating assets (\$6.6 million) and road works (\$639.7 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. A boost to road safety funding will occur with increased revenue flows into the RTTF in addition to existing Black Spot funding;
- travel demand management, ensuring efficient freight and commuter traffic movement;
- level of service management, ensuring 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 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
Albany-Lake Grace Road							
Chester Pass Road - Construction.....	7,280	6,761	6,761	519	-	-	-
Coalfields Highway							
Wellington Dam Turnoff to Collie Stage 1.....	25,000	7,025	6,900	7,375	10,600	-	-
Coolgardie - Esperance Highway							
Esperance Port Access.....	120,018	3,550	2,785	25,000	78,570	12,898	-
Dampier Highway							
Balmoral Road to Burrup Peninsula Road (Stages 2-6)							
Construct Second Carriageway.....	90,566	16,805	14,915	50,000	16,886	6,875	-
Eyre Highway							
Caiguna East to Balladonia - Stage 2.....	301	1	-	20	280	-	-
Heartbreak Ridge - Reconstruct.....	33,404	33,164	-	-	240	-	-
Gateway WA							
Tonkin Highway - Abernethy Road On Ramp	16,349	2,073	1,900	8,972	5,304	-	-
Tonkin Highway - Upgrade Leach Highway to Roe Highway	168,900	9,801	8,568	3,841	46,091	101,167	8,000
Geraldton-Mount Magnet Road							
Geraldton Southern Transport Corridor Stage 2							
Construct North West Coastal Highway to Geraldton Airport	41,313	39,813	1,346	1,500	-	-	-
Gibb River Road							
Derby - Gibb River - Wyndham - Improve Formation, and Gravel	55,575	30,632	3,410	2,849	2,461	5,635	4,289
Great Eastern Highway							
Kooyong Road to Tonkin Highway Stage 1- Construct Dual Carriageway	324,978	80,824	25,110	82,900	68,000	33,254	60,000
Roe Highway - Construct Interchange.....	112,619	41,201	32,800	60,947	10,471	-	-
Great Northern Highway							
Fitzroy Crossing to Gogo - Planning and Design	4,727	4,127	530	200	200	200	-
Muchea to Wubin Reconstruct and Widen Various Sections - Construct Passing Lanes	125,259	124,659	3,425	600	-	-	-
Port Hedland Upgrade	188,767	8,815	6,957	49,872	72,000	58,080	-
Roe Highway to Muchea - Reconstruct, Widen and Construct Passing Lanes	91,587	90,587	10,738	1,000	-	-	-
Greenlands Road							
Forrest Highway to South Western Highway Reconstruct	12,789	12,457	3,986	332	-	-	-
Indian Ocean Drive							
Lancelin to Cervantes Stage 2 - Construct.....	98,412	91,892	12,153	6,520	-	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Kwinana Freeway							
Freight Management System	47,241	4,264	1,700	1,100	23,300	18,577	-
Intelligent Transport System (ITS) Management System....	16,922	3,720	-	1,809	8,178	3,215	-
Leach Highway to Roe Highway - Widening - Addition of 3rd Lane	57,859	4,959	4,390	52,610	290	-	-
Leach Highway - High Street Improvements	67,986	200	200	-	2,486	65,300	-
Mandurah Entrance Road - Construct	148,456	144,456	20,681	1,000	1,000	2,000	-
Marble Bar Road							
Coongan Gorge - Construct Re-Alignment	22,874	667	-	-	-	1,209	10,292
Perth-Bunbury Highway							
Bunbury Outer Ring Road Stage 1 - Construct	91,085	16,732	14,643	25,923	43,968	2,842	1,620
Bunbury Port Access Road Stage 2 - Construct and Seal including Bridges.....	40,527	5,199	3,937	11,695	22,684	949	-
Bunbury Port Access Stage 1 - Construct and Seal including Bridges.....	39,782	38,782	1,750	1,000	-	-	-
Eelup Rotary Upgrade	16,000	600	587	14,000	900	500	-
Queen Victoria Street							
Fremantle Traffic Bridge Replacement - Planning, Design and Preliminary Works.....	18,412	1,777	325	2,500	4,184	9,951	-
Reid Highway							
Alexander Drive Interchange.....	40,618	31,107	22,909	9,511	-	-	-
Extension - West Swan Road to Great Northern Highway	94,745	93,123	1,130	1,622	-	-	-
Mirrabooka Avenue Interchange	30,000	5,000	5,000	24,500	500	-	-
Roe Highway							
Midland/Kewdale to Fremantle Port - ITS Management system.....	14,359	4,640	3,487	9,719	-	-	-
Roe Highway Extension - Project Development	20,501	16,842	8,646	3,659	-	-	-
Safer Roads and Bridges Program.....	175,000	35,000	35,000	35,000	35,000	35,000	35,000
Tonkin Highway - Mills Road West to Thomas Road	159,324	159,065	6,428	259	-	-	-
Victoria Highway							
Kununarra Heavy Haulage Route - Planning and Design....	7,001	6,501	2,376	500	-	-	-
Wanneroo Road							
Wallawa Street to Joondalup Drive - Construct Dual Carriageway.....	14,778	13,841	930	937	-	-	-
COMPLETED WORKS							
Albany-Lake Grace Road							
Chester Pass Road - Project Development and Pre-Construction Activities	500	500	500	-	-	-	-
Armada Road - Tapper Road Intersection	2,604	2,604	11	-	-	-	-
Brookton Highway - Corrigin to Hyden - Widen	25,750	25,750	1,962	-	-	-	-
Buildings and Equipment - 2010-11 Program	4,720	4,720	4,720	-	-	-	-
Bussell Highway							
Vasse to Margaret River - Construct Passing Lanes and Improve Intersections	11,525	11,525	250	-	-	-	-
Capitalised Operational Costs - 2010-11 Program	45,000	45,000	45,000	-	-	-	-
Daddow Road							
Kewdale Industrial Area Access - Construct Bridge Over Railway	15,847	15,847	411	-	-	-	-
Dampier Highway							
Balmoral Road East to Balmoral Road West (Stage One) - Construct Second Carriageway	21,026	21,026	734	-	-	-	-
Derby Highway - Derby Spur - Widen and Seal	20,505	20,505	452	-	-	-	-
Eyre Highway Balladonia East.....	29,074	29,074	20	-	-	-	-
Great Northern Highway							
Big Mabel Creek Bridge.....	17,929	17,929	1,130	-	-	-	-
Bow River Section - Reconstruct	45,822	45,822	3,415	-	-	-	-
Elvire to Sandy Creek - Stage 2.....	10,500	10,500	732	-	-	-	-
Fletchers Creek Bridge	25,878	25,878	1,226	-	-	-	-
Pinga Street and Wallwork Road - Improve Intersections.....	12,098	12,098	767	-	-	-	-
Telegraph Creek Bridge	14,838	14,838	1,191	-	-	-	-
Minor Works (includes Black Spot and Urgent Minor Works)							
Minor Works 2010-11	76,706	76,706	76,706	-	-	-	-
Muir Road							
Northern Bypass - Denmark Mount Barker Road Widen and Seal	18,462	18,462	3,114	-	-	-	-
Nyamup to Strachan - Widen	13,655	13,655	1,875	-	-	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
South Western Highway							
Balingup to Greenbushes - Widen and Construct							
Passing lanes.....	4,729	4,729	278	-	-	-	-
William Street - Horseshoe Bridge Refurbishment	4,100	4,100	987	-	-	-	-
NEW WORKS							
Buildings and Equipment							
Buildings and Equipment 2011-12	6,643	-	-	6,643	-	-	-
Buildings and Equipment 2012-13	6,863	-	-	-	6,863	-	-
Buildings and Equipment 2013-14	6,863	-	-	-	-	6,863	-
Buildings and Equipment 2014-15	7,069	-	-	-	-	-	7,069
Capitalised Operational Costs							
2011-12 Capitalised Operational Costs	35,000	-	-	35,000	-	-	-
2012-13 Capitalised Operational Costs	35,000	-	-	-	35,000	-	-
2013-14 Capitalised Operational Costs	35,000	-	-	-	-	35,000	-
2014-15 Capitalised Operational Costs	35,000	-	-	-	-	-	35,000
Grain Freight Network - Stage 1	43,770	-	-	12,867	5,234	25,669	-
Great Northern Highway Enhancement Program - Project							
Development	8,000	-	-	1,000	3,000	4,000	-
High-Wide Loads - Six Bridge Improvements	6,100	-	-	6,100	-	-	-
Kewdale Intermodal Terminal and Rail Network.....	53,552	-	-	2,250	25,650	25,652	-
Minor Works (includes Black Spot and Urgent Minor Works)							
Minor Works 2011-12	67,667	-	-	67,667	-	-	-
Minor Works 2012-13	45,598	-	-	-	45,598	-	-
Minor Works 2013-14	39,686	-	-	-	-	39,686	-
Minor Works 2014-15	54,632	-	-	-	-	-	54,632
Mitchell Freeway - Hepburn Avenue to Hodges Drive	30,000	-	-	6,000	24,000	-	-
Nation Building Program 1	258,681	-	-	6,500	121,181	131,000	-
South Street							
Murdoch Drive Intersection Upgrade.....	15,000	-	-	2,500	10,000	2,500	-
South Western Highway - Donnybrook to Greenbushes	25,780	-	-	-	600	4,312	1,454
Total Cost of Asset Investment Program.....	3,878,486	1,611,930	421,884	646,318	730,719	632,334	217,356
Loan and Other Repayments			5,000	5,000	5,000	5,000	5,000
Total	3,878,486	1,611,930	426,884	651,318	735,719	637,334	222,356
FUNDED BY							
Capital Appropriation.....			233,175	310,985	291,548	350,702	109,002
Asset Sales			2,000	2,000	2,000	2,000	2,000
Commonwealth Grants.....			130,220	283,695	385,264	233,278	60,000
Drawdowns from the Holding Account.....			42,979	46,907	46,907	46,907	46,907
Internal Funds and Balances.....			11,510	7,731	10,000	4,447	4,447
Other			7,000	-	-	-	-
Total Funding			426,884	651,318	735,719	637,334	222,356

FINANCIAL STATEMENTS**Income Statement***Expenses*

The Total Cost of Services in 2011-12 shows a significant increase from 2010-11 Estimated Actual. The majority of this change is attributable to an increase in Services and Contracts expense arising from increased capital works expenditure on projects such as Great Eastern Highway - Kooyong to Tonkin Road and Dampier Highway. Capitalised expenditure is transferred to the Balance Sheet via Extraordinary Items in the Income Statement.

Income

Total Cost of Services includes 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 figures in the Income Statement the Appropriations, Expenses and Cash Assets table and the Services Summary table.

The increase in income between 2010-11 Estimated Actual and 2011-12 Budget is mainly due to a significant increase in Commonwealth funded Capital Works on projects such as the Great Eastern Highway - Kooyong to Tonkin Road and Dampier Highway.

The Office of Road Safety is also anticipating an increase in revenue during 2011-12 due to the recent decision to credit two thirds of speed and red light camera infringement fine revenue into the RTTF, up from the existing one third allocation. From 2012-13 onwards, all speed and red light camera infringement fine revenue will be credited to the RTTF. This funding is separate and in addition to that provided as part of the State and Federal Black Spot programs.

Statement of Financial Position

Cash resources include a lump sum received from the Commonwealth Government that has been invested until required to fund approved projects. The funds are drawn progressively throughout the year as required to cover project payments.

The majority of the increase in Equity relates to Asset Revaluations which arise from general revaluation of current road infrastructure and newly capitalised roads.

Statement of Cashflows

The increase in cash at the end of the period, particularly in the outer years is mainly due to an increase in speed and red light camera infringement revenue to the RTTF. The additional funds will be allocated to projects, subject to the approval of business cases by Government.

INCOME STATEMENT ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	113,734	104,881	120,519	118,309	120,015	121,068	122,802
Grants and subsidies ^(c)	117,844	154,694	143,014	170,396	172,141	204,979	200,295
Supplies and services	798,786	711,955	637,881	919,357	1,056,519	961,310	589,997
Accommodation	14,198	13,796	15,996	16,391	16,685	17,043	19,043
Depreciation and amortisation	197,567	195,416	210,552	205,208	214,120	214,841	214,931
Other expenses	114,874	61,201	77,481	61,391	64,929	65,757	70,422
TOTAL COST OF SERVICES	1,357,003	1,241,943	1,205,443	1,491,052	1,644,409	1,584,998	1,217,490
Income							
Sale of goods and services	11,470	9,501	22,501	9,075	9,075	9,075	9,075
Grants and subsidies	243,500	244,932	223,005	361,930	461,349	309,418	121,659
Other revenue	301,450	64,472	55,463	109,615	94,016	101,735	101,735
Total Income	556,420	318,905	300,969	480,620	564,440	420,228	232,469
NET COST OF SERVICES	800,583	923,038	904,474	1,010,432	1,079,969	1,164,770	985,021
INCOME FROM STATE GOVERNMENT							
Service appropriations	578,389	551,093	551,281	661,656	701,502	714,103	789,394
Resources received free of charge	2,238	-	2,300	2,400	2,500	2,600	2,700
Royalties for regions fund ^(d)	-	-	-	2,500	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	580,627	551,093	553,581	666,556	704,002	716,703	792,094
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(219,956)	(371,945)	(350,893)	(343,876)	(375,967)	(448,067)	(192,927)
Extraordinary items ^(e)	604,001	511,317	417,164	639,675	723,856	625,471	210,287
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	384,045	139,372	66,271	295,799	347,889	177,404	17,360

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

(b) The Full Time Equivalents (FTEs) for 2009-10 Actual, 2010-11 Estimated Actual and 2011-12 Estimates are 1,043, 1,014 and 1,014 respectively. In some cases the figures for 2009-10 and 2010-11 may differ from previously published figures due to changes in calculation methodology.

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

(d) Relates to funding from the Regional Infrastructure and Headworks Fund.

(e) Extraordinary Item - Is the total value of road works to be capitalised.

Details of Controlled Grants and Subsidies

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Office of Road Safety	13,646	18,617	13,014	18,190	19,420	19,920	20,420
State Road funds applied to roadworks on the Local Government Road Network ^(a)	104,198	136,077	130,000	152,206	152,721	185,059	179,875
TOTAL	117,844	154,694	143,014	170,396	172,141	204,979	200,295

(a) Yearly expenditure on the Local Government Road Network reflect the increased funding that results from higher Motor Vehicle Licence Fee collections.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	260,359	193,690	249,878	256,645	232,915	208,452	197,223
Restricted cash.....	5,227	3,309	5,291	31,009	87,625	149,387	211,149
Holding account receivables.....	42,979	46,930	46,884	46,884	46,884	46,884	46,884
Receivables	66,972	68,755	60,954	58,993	58,310	57,621	56,932
Other.....	5,949	25,555	3,993	3,993	3,993	3,993	3,993
Total current assets.....	381,486	338,239	367,000	397,524	429,727	466,337	516,181
NON-CURRENT ASSETS							
Holding account receivables.....	1,041,957	1,139,767	1,139,813	1,244,788	1,358,675	1,473,283	1,587,981
Property, plant and equipment.....	36,764,139	40,241,612	38,036,233	39,582,607	41,225,712	42,752,352	43,863,924
Intangibles	3,595	2,457	3,695	3,625	3,655	3,685	3,715
Restricted cash.....	-	22	-	-	-	-	-
Other.....	104,895	80,345	103,095	101,295	99,495	97,695	95,895
Total non-current assets	37,914,586	41,464,203	39,282,836	40,932,315	42,687,537	44,327,015	45,551,515
TOTAL ASSETS.....	38,296,072	41,802,442	39,649,836	41,329,839	43,117,264	44,793,352	46,067,696
CURRENT LIABILITIES							
Employee provisions	32,958	29,666	32,958	32,958	32,958	32,958	32,958
Payables.....	76,126	79,626	72,056	72,347	73,406	74,459	75,512
Other.....	155,631	151,150	148,237	148,667	150,566	152,465	154,364
Total current liabilities	264,715	260,442	253,251	253,972	256,930	259,882	262,834
NON-CURRENT LIABILITIES							
Employee provisions	4,627	4,419	4,627	4,627	4,627	4,627	4,627
Borrowings	25,766	20,766	20,766	15,766	10,766	5,766	766
Other.....	919	655	919	919	919	919	919
Total non-current liabilities	31,312	25,840	26,312	21,312	16,312	11,312	6,312
TOTAL LIABILITIES	296,027	286,282	279,563	275,284	273,242	271,194	269,146
EQUITY							
Contributed equity.....	2,686,022	2,947,958	2,919,197	3,230,182	3,521,730	3,872,432	3,981,434
Accumulated surplus/(deficit)	10,939,754	11,037,158	11,006,025	11,301,824	11,649,713	11,827,117	11,844,477
Reserves	24,374,269	27,531,044	25,445,051	26,522,549	27,672,579	28,822,609	29,972,639
Total equity.....	38,000,045	41,516,160	39,370,273	41,054,555	42,844,022	44,522,158	45,798,550
TOTAL LIABILITIES AND EQUITY	38,296,072	41,802,442	39,649,836	41,329,839	43,117,264	44,793,352	46,067,696

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	440,128	406,353	406,541	509,774	540,708	552,588	627,789
Capital appropriation.....	344,689	269,825	233,175	310,985	291,548	350,702	109,002
Holding account drawdowns.....	42,274	42,979	42,979	46,907	46,907	46,907	46,907
Royalties for regions fund ^(b)	-	-	-	2,500	-	-	-
Net cash provided by State Government.....	827,091	719,157	682,695	870,166	879,163	950,197	783,698
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(53,498)	(45,576)	(56,721)	(58,682)	(60,753)	(62,257)	(64,229)
Grants and subsidies.....	(113,100)	(154,694)	(143,014)	(170,396)	(172,141)	(204,979)	(200,295)
Supplies and services.....	(330,876)	(289,956)	(318,673)	(359,020)	(409,736)	(395,346)	(439,234)
Accommodation.....	(7,656)	(11,383)	(11,383)	(11,755)	(12,049)	(12,407)	(14,407)
Other payments.....	(112,762)	(117,756)	(122,606)	(125,617)	(127,261)	(127,845)	(132,255)
Receipts							
Grants and subsidies.....	243,499	244,932	223,005	361,930	461,349	309,418	121,659
Sale of goods and services.....	17,999	14,043	27,043	11,181	10,017	10,017	10,017
GST receipts.....	99,855	98,893	98,893	100,081	101,700	101,700	101,700
Other receipts.....	30,383	45,737	35,228	63,915	96,316	104,135	104,235
Net cash from operating activities.....	(226,156)	(215,760)	(268,228)	(188,363)	(112,558)	(277,564)	(512,809)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(608,225)	(516,037)	(421,884)	(646,318)	(730,719)	(632,334)	(217,356)
Proceeds from sale of non-current assets.....	8,760	2,000	2,000	2,000	2,000	2,000	2,000
Net cash from investing activities.....	(599,465)	(514,037)	(419,884)	(644,318)	(728,719)	(630,334)	(215,356)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(5,296)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
Net cash from financing activities.....	(5,296)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
NET INCREASE/(DECREASE) IN CASH HELD.....	(3,826)	(15,640)	(10,417)	32,485	32,886	37,299	50,533
Cash assets at the beginning of the reporting period.....	267,113	212,661	265,586	255,169	287,654	320,540	357,839
Net cash transferred to/from other agencies.....	2,299	-	-	-	-	-	-
Cash assets at the end of the reporting period.....	265,586	197,021	255,169	287,654	320,540	357,839	408,372

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

(b) Relates to funding from the Regional Infrastructure and Headworks Fund.

DETAILS OF ADMINISTERED TRANSACTIONS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
INCOME							
Taxation							
Permits - Oversize Vehicles and Loads	4,942	4,100	5,100	5,230	5,400	5,600	5,800
TOTAL INCOME	4,942	4,100	5,100	5,230	5,400	5,600	5,800
EXPENSES							
Payments to Consolidated Account.....	4,942	4,100	5,100	5,230	5,400	5,600	5,800
TOTAL EXPENSES	4,942	4,100	5,100	5,230	5,400	5,600	5,800

PUBLIC TRANSPORT AUTHORITY OF WESTERN AUSTRALIA

PART 13 - MINISTER FOR TRANSPORT; HOUSING

DIVISION 57

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 89 Net amount appropriated to deliver services	695,605	753,763	733,536	810,804	870,882	939,741	1,013,492
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975.....	392	400	323	326	337	348	359
Total appropriations provided to deliver services	695,997	754,163	733,859	811,130	871,219	940,089	1,013,851
CAPITAL							
Item 150 Capital Appropriation.....	58,501	88,721	88,721	216,904	224,849	116,089	80,712
TOTAL APPROPRIATIONS	754,498	842,884	822,580	1,028,034	1,096,068	1,056,178	1,094,563
EXPENSES							
Total Cost of Services	882,693	929,594	1,005,438	1,097,519	1,168,169	1,245,893	1,324,463
Net Cost of Services ^(a)	680,539	724,951	786,287	897,577	958,482	1,014,701	1,091,748
CASH ASSETS ^(b)	54,055	70,908	71,791	67,592	46,424	46,426	46,426

(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 SPENDING CHANGES

Details of major decisions impacting on the agency's Income Statement since publication of the 2010-11 Budget to Parliament on 20 May 2010 are outlined below.

	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Additional Bus Service Kilometres	1,119	13,754	27,208	39,781	52,868
Bus Service to Austin Cove Baptist College	33	221	228	235	243
CHOGM 2011 – Additional Services.....	-	235	-	-	-
Depreciation Associated with Public Transport Infrastructure.....	(189)	3,971	5,211	11,456	15,036
Depreciation Associated with the Rail Freight Network	75,821	75,775	75,682	74,612	68,589
Ellenbrook Public Transport Master Planning	-	-	(10,000)	-	-
Grain Freight Network Stage 2.....	267	5,257	7,517	7,517	7,517
Transit Concept and Feasibility Studies	-	1,500	4,000	-	-

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
Results-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	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
1. Metropolitan and Regional Passenger Services	706,801	737,128	747,264	821,790	884,775	956,966	1,027,396
2. Country Passenger Rail and Road Coach Services	45,786	50,143	47,286	48,593	51,221	52,463	57,907
3. Regional School Bus Services.....	100,425	110,680	107,123	116,285	121,221	126,543	133,298
4. Rail Corridor and Residual Freight Issues Management	29,681	31,643	103,765	110,851	110,952	109,921	105,862
Total Cost of Services.....	882,693	929,594	1,005,438	1,097,519	1,168,169	1,245,893	1,324,463

Significant Issues Impacting the Agency

- A draft 20 Year Public Transport Master Plan is currently being considered by Government. It is anticipated that the plan will be released for public consultation in 2011. The plan will set a blueprint of potential public transport solutions to meet the challenge of projected growth in the demand for public transport as Perth's population increases.
- Increasing rail movements, rail patronage, vehicular traffic and pedestrian movements in the metropolitan area, and to a lesser extent in regional Western Australia, is requiring the Authority to look for better ways to manage its operations. The Authority will continue to look for opportunities to improve the safety of its passengers and the general public.
- Accessible and reliable public transport is important in enhancing the quality of life and wellbeing of Western Australia's growing population. This is of particular significance as the population ages and for people with disabilities, their families and carers. The Authority will continue to enhance its infrastructure and facilities to ensure accessibility.

- The Authority provides a public transport service to regional Western Australia through a network of regional town and inter-town services, country coach and rail services and school bus services. Due to declining patronage on some regional routes combined with the high cost of providing these services, the Authority will review its regional services to ensure that it continues to provide fairly priced public transport services that link communities and provide access to health services and employment opportunities, including transport to schools.
- The Authority will continue to ensure that the State's rail corridor provides opportunities to improve access to ports and inter-modal facilities. To increase rail freight and enhance export efficiencies the Authority will work closely with other Government agencies and the private sector to progress new rail lines and facilities associated with the Oakajee Rail Development, and mining activities around Karara, and oversee the upgrade of the Grain Freight Network.

Outcomes and Key Effectiveness Indicators^(a)

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Outcome: Accessible, reliable and safe public transport system:					
Use of public transport - passengers per service kilometre:					
Metropolitan Bus Services	1.43	1.43	1.43	1.38	
Metropolitan Train Services	4.15	3.85	4.08	4.09	
Metropolitan Ferry Services	13.43	14.16	13.65	13.88	
Regional Bus Services	1.002	0.872	0.863	0.852	
Country Passenger Rail Services	0.24	0.23	0.23	0.23	
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	82.89%	81%	83%	83.5%	
Metropolitan and regional passenger services reliability:					
Bus services within four minutes of scheduled time	85.54%	85%	86%	85%	
Train arriving within four minutes of scheduled time	95.90%	95%	95.8%	95.0%	
Ferries arriving within three minutes of scheduled time	98.39%	98%	98%	98%	
Country passenger rail and road coach services reliability:					
Prospector arriving within 15 minutes of scheduled time	72%	90%	75%	90%	1
Australind arriving within 10 minutes of scheduled time	95%	90%	96%	90%	
MerridinLink arriving within 10 minutes of scheduled time	87%	95%	90%	95%	
AvonLink arriving within 10 minutes of scheduled time	98%	95%	98%	95%	
Road Coaches arriving within 10 minutes of scheduled time	97%	95%	98%	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	97%	97%	97%	97%	
Level of overall customer satisfaction - customer satisfaction index:					
Metropolitan Bus Services	81%	83%	82%	83%	
Metropolitan Train Services	93%	90%	90%	92%	
Metropolitan Ferry Services	96%	98%	98%	98%	
Country Passenger Rail and Road Coach Services	90%	92%	90%	92%	
Customer perception of safety - independent external surveys:					
Train station - Daytime	98%	96%	96%	96%	
On-board train - Daytime	98%	97%	97%	97%	
Train station - Night-time	70%	65%	65%	65%	
On-board train - Night-time	75%	75%	75%	75%	
Bus station - Daytime	96%	97%	96%	96%	
On-board bus - Daytime	98%	98%	98%	98%	
Bus station - Night-time	70%	68%	70%	70%	
On-board bus - Night-time	79%	82%	80%	82%	
Level of notifiable safety occurrences - notifiable occurrences:					
Category A Occurrences per million passenger boardings	0.23	0.25	0.21	0.25	2
Category A Occurrences per million train kilometres	0.86	0.90	0.76	0.90	2
Category B Occurrences per million passenger boardings	8.19	9.00	7.24	8.10	
Category B Occurrences per million train kilometres	30.74	32.80	25.89	29.52	

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Regional school bus services: notifiable occurrences (accidents) reported each school year	17	13	13	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. The 2011-12 Budget (90%) is higher than the 2010-11 Estimated Actual (75%) due to speed restrictions, delays at crossings and track repairs in 2010-11.
2. Category A incidents are influenced by deaths on the system beyond the Authority's control.

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.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 706,801	\$'000 737,128	\$'000 747,264	\$'000 821,790	1
Less Income.....	166,228	177,291	186,484	168,477	2
Net Cost of Service	540,573	559,837	560,780	653,313	
Employees (Full Time Equivalents)	1,199	1,267	1,242	1,280	
Efficiency Indicators					
Average Cost per Passenger Kilometre:					
- Transperth Bus Operations.....	\$0.76	\$0.81	\$0.83	\$0.88	
- Transperth Train Operations	\$0.41	\$0.43	\$0.41	\$0.43	
- Transperth Ferry Operations	\$1.22	\$1.15	\$1.19	\$1.11	
Average Cost per 1,000 Place Kilometres:					
- Regional Bus Services.....	\$80.09	\$78.33	\$79.40	\$79.23	

Explanation of Significant Movements

(Notes)

- The increase in total cost of the service of \$74.5 million in 2011-12 is mainly due to increased costs for:
 - railcar maintenance (\$17.2 million);
 - payments for bus contracts (\$11.5 million);
 - labour (\$5.6 million);
 - interest (\$11.0 million);
 - depreciation (\$9.1 million); and
 - additional bus service kilometres (\$13.8 million).
- The decrease in income of \$18.0 million in 2011-12 is mainly due to the contribution in 2010-11 of \$24.8 million from the City of Perth for the Perth City Link project offset by an increase in fare revenue of \$7.5 million.

2: Country Passenger Rail and Road Coach Services

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

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 45,786	\$'000 50,143	\$'000 47,286	\$'000 48,593	
Less Income.....	10,368	10,668	9,701	10,068	
Net Cost of Service	35,418	39,475	37,585	38,525	
Employees (Full Time Equivalents)	135	138	138	139	
Efficiency Indicators					
Average Cost per Passenger Kilometre:					
- Transwa Rail	\$0.44	\$0.48	\$0.46	\$0.46	
- Transwa Road Coaches	\$0.20	\$0.24	\$0.21	\$0.22	

3: Regional School Bus Services

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

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 100,425	\$'000 110,680	\$'000 107,123	\$'000 116,285	
Less Income.....	2,596	1,680	3,980	3,980	1
Net Cost of Service	97,829	109,000	103,143	112,305	
Employees (Full Time Equivalents)	42	45	45	46	
Efficiency Indicators					
Average Cost per Contracted Kilometre:					
- School Bus Services	\$3.27	\$3.56	\$3.50	\$3.80	

Explanation of Significant Movements

(Notes)

- The increase in income in 2010-11 Estimated Actual is mainly due to increased services on behalf of and funded by the Department of Education for students attending Intensive English Centres.

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.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	29,681	31,643	103,765	110,851	1
Less Income.....	22,962	15,004	18,986	17,417	2
Net Cost of Service	6,719	16,639	84,779	93,434	
Employees (Full Time Equivalents)	18	24	16	16	
Efficiency Indicators					
Total Cost of Managing the Rail Freight Corridor and Residual Freight Issues ^(a)	\$29,681,000	\$31,643,000	\$103,765,000	\$110,851,000	

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

Explanation of Significant Movements

(Notes)

1. The increase in the Total Cost of Service in the 2010-11 Estimated Actual is mainly due to the increase in depreciation associated with the rail freight network following the revaluation of the freight network in 2009-10. Although the expense has been allowed for the cost of rail freight network depreciation, funding is no longer provided.
2. The increase in income in the 2010-11 Estimated Actual is mainly due to increased commercial rental income from property on the rail freight reserve.

ASSET INVESTMENT PROGRAM

The Authority's planned asset investment program from 2011-12 to 2014-15 is \$1.40 billion with \$345.9 million estimated to be expended in 2011-12.

Key projects contained within the asset investment program over the four year period from 2011-12 to 2014-15 include:

- Bus Replacement Program:
 - a combined \$47.2 million will be spent in 2011-12 to allow for the replacement of ageing non-accessible buses for the Transperth metropolitan bus fleet and the regional town bus fleets, including a continuation of the acquisition of regular passenger transport fleet (RPT Fleet) in the southwest of the State. The forward estimates provides for the continuation of the program from 2011-12 at a total cost of \$156.0 million.
- Bus Acquisition Program:
 - the Government will increase annual bus service kilometres by 3.3 million kilometres in 2011-12 incrementally increasing to 15.2 million kilometres per annum from 2015-16 onwards. This will involve the procurement of an additional 158 buses until 2017-18 funded from the redirection of \$92.6 million in savings from the current bus replacement program due to the move from gas fuelled to Euro5 diesel fuelled buses.
- This will provide:
 - more frequent services that are available when required;
 - services that are more accessible;
 - services that are more comfortable;
 - routes that are more efficient; and
 - services into new and/or rapidly developing urban areas.

- Purchase of Additional Railcars:
 - an additional 15 three-car train sets to address the capacity issues being experienced during peak commuting periods will be ordered in 2011-12. This will ensure the four new three-car train sets recently put into service are replaced ready for the opening of the extension to Butler. To enable this, the budget provides \$164.0 million. This measure will service growing demand while also being financially responsible.
- Perth City Link project:
 - will deliver the sinking of the Fremantle railway line between Perth Station and Milligan Street and the construction of a new underground Wellington Street Bus Station over six years at a total cost of \$609.3 million;
 - consists of a railway tunnel for the Fremantle line, extension of the Joondalup line tunnel, demolition of the western pedestrian overpass and platform modifications to Perth Station and construction of a new pedestrian connection with the Perth underground platforms as well as demolition of the existing Wellington Street Bus station and construction of a new underground bus station with dedicated connections to Milligan Street and the James Street bus bridge;
 - the rail alliance will undertake most of the design work for the rail project and will commence construction works in September 2011. The estimated expenditure on the program is \$68.9 million in 2011-12 and \$467.8 million over the forward estimates period; and
 - the infrastructure changes will create the opportunity to deliver urban renewal with the development of a city square, residential and commercial buildings and the provision of pedestrian and road links between the city and Northbridge.
- Extension of the Northern Suburbs Railway to Butler:
 - construction of the 7.5 kilometre extension of the Northern Suburbs (Joondalup line) Railway from Clarkson to Butler commenced in 2010-11 and is on track for completion in 2014-15 at an estimated cost of \$240.7 million;
 - the project includes the construction of a station at Butler with associated park and ride and bus transfer facilities, three road bridges, 7.5 kilometre of dual track railway with signals, communications and overhead power equipment together with alterations to the Nowergup depot;
 - major earthworks commenced in January 2011 and will progress through Nowergup, Ridgewood and Butler and are due to be completed in 2012. A contract was awarded for the construction for three road over rail bridges in April 2011 and due for completion in the second half of 2012; and
 - design of Butler station has commenced and will be completed in 2011.
- Parking Facilities Program:
 - work will continue on fulfilling the Government's election commitment to provide an extra 3,000 parking bays at train stations along the northern and southern rail lines at a total cost of \$50.0 million. In 2011-12, 1,700 car bays are planned to be delivered at Stirling, Rockingham (Stage 2), Currabine and Cockburn (Stage 2) stations. The program will be completed in 2012-13.
- Rail Stations Program:
 - the continuation of the upgrade of the Armadale station car park, heritage restoration works at the Fremantle station, upgrades and improvements at Maddington stations at a cost of \$4.3 million in 2011-12;
 - upgrading the Warnbro bus facilities with additional car parking to the southern end of the station at a cost of \$2.7 million in 2011-12; and
 - upgrading facilities to meet accessibility requirements for people with disabilities at a cost of \$7.5 million in 2011-12 as part of the \$33.3 million total project cost.
- Rail Infrastructure Program:
 - \$5.5 million in 2011-12 for the continuation of the concrete re-sleeper program for the metropolitan rail system, including the completion of the re-sleeper from Armadale to Mundijong junction, Perth City Precinct and commencement of re-sleeper at Ashfield, Success, Midland, Woodbridge and Bayswater Stations;
 - completion of remedial works to Goongoonup Rail Bridge; and
 - the delivery of a track recording system that will enable the Authority to effectively allow for better understanding of track geometry, track irregularity and train to rail contact and provide safe and acceptable passenger ride conditions.
- Freight Program:
 - the continuation of rail track improvements (inclusive of the Albany to Avon line works) with completion scheduled for 2012-13 at a total cost of \$187.9 million, jointly funded by the State, the Commonwealth Government and industry.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
Bus Infrastructure Program	55,050	30,561	11,806	9,615	6,730	5,100	3,044
Bus Replacement Program	477,425	435,243	43,407	17,274	2,702	3,399	3,501
New Bus Replacement Program	429,281	470	470	29,958	30,836	33,323	34,989
Common Infrastructure Program	25,667	7,252	4,579	3,115	2,160	2,170	2,180
Freight Program	192,066	53,748	35,083	80,634	57,684	-	-
Extension of the Northern Suburbs Railway to Butler	240,730	12,544	10,514	46,498	88,711	69,862	23,115
Perth City Link	609,269	33,235	31,382	68,937	190,108	84,488	124,291
Operational Business Support Systems Program	54,312	5,926	3,249	7,801	4,871	4,527	4,467
Parking Facilities Program	58,367	33,602	10,800	14,450	7,970	2,345	-
Rail Infrastructure Program	204,270	79,412	18,186	21,200	19,747	19,001	14,750
Rail Stations Program	74,308	7,570	3,448	15,309	17,093	9,455	10,418
Railcar Program	40,821	15,741	111	1,235	1,282	2,005	2,901
COMPLETED WORKS							
Bus Infrastructure Program	20,106	20,106	4,869	-	-	-	-
Common Infrastructure Program	7,113	7,113	4,994	-	-	-	-
Operational Business Support Systems Program	6,795	6,795	34	-	-	-	-
Rail Infrastructure Program	5,661	5,661	4,022	-	-	-	-
Rail Stations Program	24,596	24,596	7,615	-	-	-	-
Railcar Program	160,000	160,000	6,283	-	-	-	-
NEW WORKS							
Bus Acquisition Program	87,958	-	-	8,950	9,648	10,380	11,149
Operational Business Support Systems Program	11,861	-	-	2,600	4,020	4,221	1,020
Rail Infrastructure Program	2,613	-	-	1,696	445	472	-
Rail Stations Program	11,126	-	-	584	2,333	1,241	900
Purchase of Additional Railcars	164,000	-	-	16,000	42,000	49,000	30,000
Total Cost of Asset Investment Program	2,963,395	939,575	200,852	345,856	488,340	300,989	266,725
Loan and Other Repayments			55,190	82,595	69,189	79,089	80,712
Total	2,963,395	939,575	256,042	428,451	557,529	380,078	347,437
FUNDED BY							
Capital Appropriation			88,721	216,904	224,849	116,089	80,712
Asset Sales			470	-	-	-	-
Borrowings			148,303	155,735	275,492	218,668	231,736
Drawdowns from the Holding Account			-	47,692	36,020	33,323	34,989
Internal Funds and Balances			17,106	7,957	21,168	11,998	-
Other			1,442	163	-	-	-
Total Funding			256,042	428,451	557,529	380,078	347,437

FINANCIAL STATEMENTS

Income Statement

Expenses

Total Cost of Services increased by \$75.8 million from 2010-11 Budget to 2010-11 Estimated Actual, due to the increase in depreciation following the revaluation of the rail freight network (\$75.6 million).

The Income Statement identifies an increase in the 2011-12 Total Cost of Services of \$92.1 million when compared to the 2010-11 Estimated Actual. This increase is mainly attributable to:

- the provision of additional bus service kilometres (\$13.8 million);
- costs related to the procurement of 15 new three-car train sets;
- allowance for increased railcar maintenance (\$18.8 million);
- payments under metropolitan, regional town and school bus contracts (\$20.4 million);
- increased employee benefits (\$8.7 million);
- increased depreciation cost (\$10.5 million); and
- increased interest costs of borrowings for asset investment (\$17.6 million).

Income

Total income is estimated to be \$199.9 million for the 2011-12 Budget. This represents a decrease of \$19.2 million compared to the 2010-11 Estimated Actual. This decrease is mainly attributable to revenue from the City of Perth in 2010-11 for the City's contribution to the Perth City Link project \$24.8 million offset by an increase from fares of \$7.5 million.

Statement of Financial Position

The Authority's total net asset position (total equity) is expected to increase by \$133.1 million (3%) between the 2010-11 Estimated Actual and the 2011-12 Budget. This reflects a projected increase in total assets of \$200.7 million and an increase in total liabilities of \$67.7 million.

The expected increase in assets is mainly attributable to increased:

- holding account receivables for future asset replacement (\$119.6 million); and
- property, plant and equipment (\$85.4 million).

The Authority's Statement of Financial Position shows accumulated deficits over the forward estimates as accrual appropriation is not being provided to fund depreciation associated with the freight network leased by WestNet Rail. Under the network lease arrangements, the asset must be returned to the Authority in fit for purpose condition. It is therefore unlikely that this asset will need to be completely replaced. It has been determined that there is no need to provide the significant accrual appropriation that would be required to fund the depreciation associated with this asset, and funding previously allocated for rail freight network depreciation has been withdrawn. It is noted that use of holding accounts is not unique to the Authority, and in this regard the Department of Treasury is currently reviewing the use of holding accounts from a whole-of-government perspective.

Statement of Cashflows

The 2011-12 Budget closing cash assets balance of \$67.6 million represents a decrease of \$4.2 million in comparison to the 2010-11 Estimated Actual. The decrease is attributable to expenditure for the Perth City Link project for which funding was received in 2010-11 from the City of Perth.

INCOME STATEMENT ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	120,158	132,254	132,184	140,850	146,707	152,244	156,039
Grants and subsidies ^(c)	326,098	356,142	359,231	391,451	423,303	460,074	495,101
Supplies and services	188,920	158,319	159,850	180,696	190,051	206,033	215,582
Accommodation	18,544	27,400	27,400	28,747	29,582	29,582	31,214
Depreciation and amortisation	159,026	169,379	245,011	255,474	264,899	276,549	291,771
Other expenses	69,947	86,100	81,762	100,301	113,627	121,411	134,756
TOTAL COST OF SERVICES	882,693	929,594	1,005,438	1,097,519	1,168,169	1,245,893	1,324,463
Income							
Sale of goods and services	140,686	137,114	142,347	149,838	159,865	168,267	181,690
Regulatory fees and fines	3,072	-	-	-	-	-	-
Grants and subsidies	17,337	40,395	43,715	17,370	17,199	29,658	17,673
Other revenue	41,059	27,134	33,089	32,734	32,623	33,267	33,352
Total Income	202,154	204,643	219,151	199,942	209,687	231,192	232,715
NET COST OF SERVICES	680,539	724,951	786,287	897,577	958,482	1,014,701	1,091,748
INCOME FROM STATE GOVERNMENT							
Service appropriations	695,997	754,163	733,859	811,130	871,219	940,089	1,013,851
Resources received free of charge	1,197	-	-	-	-	-	-
Royalties for regions fund ^(d)	-	3,296	3,296	2,619	2,273	2,692	-
TOTAL INCOME FROM STATE GOVERNMENT	697,194	757,459	737,155	813,749	873,492	942,781	1,013,851
SURPLUS/(DEFICIENCY) FOR THE PERIOD	16,655	32,508	(49,132)	(83,828)	(84,990)	(71,920)	(77,897)
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	16,655	32,508	(49,132)	(83,828)	(84,990)	(71,920)	(77,897)

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

(b) The Full Time Equivalents (FTEs) for 2009-10 Actual, 2010-11 Estimated Actual and 2011-12 Estimates are 1,394, 1,441 and 1,481 respectively. In some cases the figures for 2009-10 and 2010-11 may differ from previously published figures due to changes in calculation methodology.

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

(d) Regional Community Services Fund - \$0 (2009-10), \$3.3 million (2010-11), \$3.3 million (2010-11 Estimated Out Turn), \$2.6 million (2011-12), \$2.3 million (2012-13), \$2.7 million (2013-14), \$0 (2014-15).

Details of Controlled Grants and Subsidies

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Local Government.....	2,729	250	250	250	-	-	-
Metropolitan Services:							
Bus Operators.....	208,295	235,203	237,797	262,055	288,389	318,665	346,998
Ferry Services.....	694	704	704	741	776	807	839
Rail corridor and Freight Issues Management.....	5,169	-	-	-	-	-	-
Regional Bus Services.....	15,827	16,161	16,161	17,233	18,153	19,482	20,261
Regional School Bus Services:							
School Bus Services.....	88,581	96,920	98,315	105,515	110,066	114,965	120,602
Student Fare Concessions.....	4,803	6,904	5,404	5,657	5,919	6,155	6,401
Special Grants: Capital Purposes.....	-	-	600	-	-	-	-
TOTAL.....	326,098	356,142	359,231	391,451	423,303	460,074	495,101

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	54,055	70,908	71,791	67,592	46,424	46,426	46,426
Receivables	17,124	17,201	17,124	17,124	17,124	17,124	17,124
Other.....	15,142	21,049	15,142	15,142	15,142	15,142	15,142
Assets held for sale.....	12,591	-	12,591	12,591	12,591	12,591	12,591
Total current assets.....	98,912	109,158	116,648	112,449	91,281	91,283	91,283
NON-CURRENT ASSETS							
Holding account receivables.....	741,100	910,479	903,229	1,022,796	1,161,219	1,315,059	1,488,478
Property, plant and equipment.....	5,128,101	4,059,667	5,075,473	5,160,855	5,384,296	5,408,736	5,386,977
Intangibles	4,619	671	4,618	4,618	4,618	4,618	1,332
Total non-current assets	5,873,820	4,970,817	5,983,320	6,188,269	6,550,133	6,728,413	6,876,787
TOTAL ASSETS.....	5,972,732	5,079,975	6,099,968	6,300,718	6,641,414	6,819,696	6,968,070
CURRENT LIABILITIES							
Employee provisions	20,362	18,362	20,362	20,362	20,362	20,362	20,362
Payables.....	53,072	53,802	53,072	53,072	53,072	53,072	53,072
Other.....	119,048	98,177	119,024	119,024	119,024	119,024	119,024
Total current liabilities	192,482	170,341	192,458	192,458	192,458	192,458	192,458
NON-CURRENT LIABILITIES							
Employee provisions	6,429	5,794	6,429	6,429	6,429	6,429	6,429
Borrowings	1,081,299	1,237,210	1,174,436	1,247,576	1,453,879	1,593,458	1,744,483
Other.....	215,497	210,252	210,031	204,565	199,099	193,633	188,167
Total non-current liabilities	1,303,225	1,453,256	1,390,896	1,458,570	1,659,407	1,793,520	1,939,079
TOTAL LIABILITIES	1,495,707	1,623,597	1,583,354	1,651,028	1,851,865	1,985,978	2,131,537
EQUITY							
Contributed equity.....	2,414,433	2,505,659	2,503,154	2,720,058	2,944,907	3,060,996	3,141,708
Accumulated surplus/(deficit)	110,822	130,603	61,690	(22,138)	(107,128)	(179,048)	(256,945)
Reserves	1,951,770	820,116	1,951,770	1,951,770	1,951,770	1,951,770	1,951,770
Total equity.....	4,477,025	3,456,378	4,516,614	4,649,690	4,789,549	4,833,718	4,836,533
TOTAL LIABILITIES AND EQUITY	5,972,732	5,079,975	6,099,968	6,300,718	6,641,414	6,819,696	6,968,070

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	533,690	584,784	571,730	643,871	696,776	752,926	805,443
Capital appropriation.....	58,501	88,721	88,721	216,904	224,849	116,089	80,712
Holding account drawdowns.....	-	-	-	47,692	36,020	33,323	34,989
Royalties for regions fund ^(b)	-	3,296	3,296	2,619	2,273	2,692	-
Net cash provided by State Government.....	592,191	676,801	663,747	911,086	959,918	905,030	921,144
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(118,516)	(132,254)	(132,184)	(140,850)	(146,707)	(152,244)	(156,039)
Grants and subsidies.....	(321,560)	(356,142)	(359,231)	(391,451)	(423,303)	(460,074)	(495,101)
Supplies and services.....	(195,218)	(158,320)	(159,851)	(180,270)	(189,622)	(205,604)	(215,153)
Accommodation.....	(18,171)	(27,400)	(27,400)	(29,194)	(30,032)	(30,032)	(31,664)
Other payments.....	(129,705)	(145,958)	(141,620)	(160,139)	(173,465)	(181,249)	(194,594)
Receipts							
Regulatory fees and fines.....	3,092	-	-	-	-	-	-
Grants and subsidies.....	16,552	40,395	43,715	17,370	17,199	29,658	17,673
Sale of goods and services.....	143,096	137,114	142,347	149,838	159,865	168,267	181,690
GST receipts.....	70,900	59,859	59,859	59,859	59,859	59,859	59,859
Other receipts.....	31,975	21,668	27,623	27,268	27,157	27,801	27,886
Net cash from operating activities.....	(517,555)	(561,038)	(546,742)	(647,569)	(699,049)	(743,618)	(805,443)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(166,625)	(222,736)	(200,852)	(345,856)	(488,340)	(300,989)	(266,725)
Proceeds from sale of non-current assets.....	492	13,000	8,470	5,000	-	-	-
Net cash from investing activities.....	(166,133)	(209,736)	(192,382)	(340,856)	(488,340)	(300,989)	(266,725)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(70,685)	(55,190)	(55,190)	(82,595)	(69,189)	(79,089)	(80,712)
Proceeds from borrowings.....	155,000	169,876	148,303	155,735	275,492	218,668	231,736
Net cash from financing activities.....	84,315	114,686	93,113	73,140	206,303	139,579	151,024
NET INCREASE/(DECREASE) IN CASH HELD.....	(7,182)	20,713	17,736	(4,199)	(21,168)	2	-
Cash assets at the beginning of the reporting period.....	61,237	50,195	54,055	71,791	67,592	46,424	46,426
Cash assets at the end of the reporting period.....	54,055	70,908	71,791	67,592	46,424	46,426	46,426

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

(b) Regional Community Services Fund - \$0 (2009-10), \$3.3 million (2010-11), \$3.3 million (2010-11 Estimated Out Turn), \$2.6 million (2011-12), \$2.3 million (2012-13), \$2.7 million (2013-14), \$0 (2014-15).

ALBANY PORT AUTHORITY

ASSET INVESTMENT PROGRAM

The Authority's 2011-12 asset investment program of \$2.8 million includes \$750,000 for ongoing minor works and \$250,000 for the replacement of motor vehicles. In addition, \$1.8 million will be spent on a replacement, purpose built pilot boat.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COMPLETED WORKS							
Minor Works - 2010-2011 Program	750	750	750	-	-	-	-
Motor Vehicle Replacement - 2010-2011 Program.....	250	250	250	-	-	-	-
Rail Dump Hopper	1,000	1,000	1,000	-	-	-	-
Rail Enhancement - Realignment of Princess Royal Drive	3,785	3,785	3,785	-	-	-	-
NEW WORKS							
Minor Works							
2011-2012 Program	750	-	-	750	-	-	-
2012-2013 Program	750	-	-	-	750	-	-
2013-2014 Program	750	-	-	-	-	750	-
2014-2015 Program	750	-	-	-	-	-	750
Motor Vehicle Replacement							
2011-2012 Program	250	-	-	250	-	-	-
2012-2013 Program	250	-	-	-	250	-	-
2013-2014 Program	250	-	-	-	-	250	-
2014-2015 Program	250	-	-	-	-	-	250
Pilot Boat	1,800	-	-	1,800	-	-	-
Total Cost of Asset Investment Program.....	11,585	5,785	5,785	2,800	1,000	1,000	1,000
FUNDED BY							
Borrowings			1,000	1,800	-	-	-
Internal Funds and Balances.....			4,785	1,000	1,000	1,000	1,000
Total Funding			5,785	2,800	1,000	1,000	1,000

BROOME PORT AUTHORITY

ASSET INVESTMENT PROGRAM

The Authority's 2011-12 asset investment program of \$3.8 million includes \$651,000 for minor works and \$3.2 million for occupational health and safety enhancement works within the Port. The minor works allocation includes works on roads, infrastructure and security upgrades.

The occupational health and safety works includes the placement of overhead power lines underground, construction of ship shore landings and sewerage works in 2011-12 and upgrades to the wharf and navigational equipment in 2012-13. It is planned that a 100 tonne crane will also be purchased in 2012-13 to meet increased demand.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COMPLETED WORKS							
Minor Works - 2010-11 Program	625	625	625	-	-	-	-
Property Development							
Land Development	1,774	1,774	1,774	-	-	-	-
Pre-development Planning and Surveys	648	648	648	-	-	-	-
NEW WORKS							
Minor Works							
2011-12 Program	651	-	-	651	-	-	-
2012-13 Program	679	-	-	-	679	-	-
2013-14 Program	679	-	-	-	-	679	-
2014-15 Program	1,575	-	-	-	-	-	1,575
Occupational Health and Safety Works	4,405	-	-	3,150	1,255	-	-
Plant and Equipment - 100 Tonne Crane	1,800	-	-	-	1,800	-	-
Total Cost of Asset Investment Program	12,836	3,047	3,047	3,801	3,734	679	1,575
FUNDED BY							
Borrowings			2,422	3,150	3,055	-	-
Internal Funds and Balances			625	651	679	679	1,575
Total Funding			3,047	3,801	3,734	679	1,575

BUNBURY PORT AUTHORITY

ASSET INVESTMENT PROGRAM

The Authority's 2011-12 asset investment program allocation of \$1.5 million is for minor works such as replacement of mobile plant and equipment, improvements to the Port's infrastructure and other civil works including upgrades to roads and buildings.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COMPLETED WORKS							
Asset Replacement - Minor Works - 2010-11	1,400	1,400	1,400	-	-	-	-
Infrastructure							
Koombana Drive Screen Wall ^(a)	1,500	1,500	1,200	-	-	-	-
Wastewater Management Berth 8.....	4,563	4,563	2,563	-	-	-	-
NEW WORKS							
Asset Replacement							
Minor Works - 2011-12.....	1,500	-	-	1,500	-	-	-
Minor Works - 2012-13.....	1,550	-	-	-	1,550	-	-
Minor Works - 2013-14.....	2,400	-	-	-	-	2,400	-
Minor Works - 2014-15.....	2,400	-	-	-	-	-	2,400
Total Cost of Asset Investment Program.....	15,313	7,463	5,163	1,500	1,550	2,400	2,400
FUNDED BY							
Internal Funds and Balances.....			5,163	1,500	1,550	2,400	2,400
Total Funding			5,163	1,500	1,550	2,400	2,400

(a) Previously 'Bund Wall Inner Harbour (Noise Management)'.

DAMPIER PORT AUTHORITY

ASSET INVESTMENT PROGRAM

The Authority's asset investment program in 2011-12 will consist of various minor works, including asset replacement of mobile plant and office equipment, and upgrades of the Port's infrastructure.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
Minor Works	33,339	8,919	1,080	4,420	5,000	5,000	5,000
COMPLETED WORKS							
Gangway for the Bulk Liquids Berth	1,500	1,500	1,500	-	-	-	-
Housing - Dampier/Karratha	3,000	3,000	1,000	-	-	-	-
Truck Arrestor Bed	1,400	1,400	1,400	-	-	-	-
Total Cost of Asset Investment Program.....	39,239	14,819	4,980	4,420	5,000	5,000	5,000
FUNDED BY							
Internal Funds and Balances.....			4,980	4,420	5,000	5,000	5,000
Total Funding			4,980	4,420	5,000	5,000	5,000

ESPERANCE PORT AUTHORITY

ASSET INVESTMENT PROGRAM

A series of minor works projects are planned for 2011-12 as part of the Authority's ongoing program for maintenance and improvement of the Port's infrastructure.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COMPLETED WORKS							
Iron Ore Circuit Upgrade	3,057	3,057	935	-	-	-	-
Minor Works - 2010-11 Program	1,900	1,900	1,900	-	-	-	-
Nickel Concentrate Circuit Upgrade	23,829	23,829	5,200	-	-	-	-
Pilot Vessel	1,000	1,000	1,000	-	-	-	-
NEW WORKS							
Minor Works							
2011-12 Program	3,000	-	-	3,000	-	-	-
2012-13 Program	3,000	-	-	-	3,000	-	-
2013-14 Program	3,000	-	-	-	-	3,000	-
2014-15 Program	3,000	-	-	-	-	-	3,000
Total Cost of Asset Investment Program.....	41,786	29,786	9,035	3,000	3,000	3,000	3,000
FUNDED BY							
Borrowings			6,135	-	-	-	-
Internal Funds and Balances			2,900	3,000	3,000	3,000	3,000
Total Funding			9,035	3,000	3,000	3,000	3,000

FREMANTLE PORT AUTHORITY

ASSET INVESTMENT PROGRAM

The Authority's approved asset investment program for 2011-12 to 2014-15 totals \$396.9 million. Major approved projects planned or underway include:

- Dredging and Upgrade of Fremantle Inner Harbour Berths and Channels
 - Projects now largely completed and to be finalised with expenditure of \$15.9 million in 2011-12 include the deepening of the Fremantle Inner Harbour to accommodate the larger new generation container ships increasingly expected to call at Fremantle. The projects include strengthening berths to accommodate larger container cranes to handle bigger ships.
- Seawall Construction
 - The existing seawall at Rous Head has been extended and backfilled with dredged material from the Inner Harbour deepening project. With long-term growth in container trade expected to continue, this has created an area of additional land to be used to service port related needs arising from increased trade, including existing uses which will be displaced by planned future expansion of the rail terminal. The final phase of the project involving the provision of services, roads and other infrastructure totalling \$17.6 million will be completed in 2011-12.
- Kwinana Bulk Terminal 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 and upgrading of conveyors. As well as meeting customer needs, environmental improvements have been given a high priority. \$20.8 million will be spent on this project in 2011-12. A later project is also planned for the future provision of export infrastructure.
- 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. \$8.2 million will be spent on this project in 2011-12. Additional lease rental revenue is expected as a result of this project.
- Development of Transport Interchange Facilities
 - \$5.0 million will be spent in 2011-12 on the development of interchange facilities that will support 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 totalling \$13.0 million 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.
- KBJ - Export-Import Infrastructure and Bulk Handling Equipment
 - The projected growth of the export and import of dry bulk commodities at KBJ requires the construction of a jetty extension, new conveyor and bulk loader. An additional unloader is also required to maintain berth utilisation at an acceptable level.

- Rous Head Marina
 - Fremantle Ports is proposing to facilitate the development of a new marina within the existing Rous Head Harbour, which would accommodate a mix of wet and dry recreational boat storage, cafes and restaurants, office space, a ferry terminal and other related uses. The development will be delivered by the private sector, with the proponent responsible for all above ground improvements, including the development of any buildings, boat pens, internal roads etc. Fremantle Ports will, however, need to undertake capital works at a total cost of \$15.7 million to prepare the site, including the reclamation of land, the construction of a seawall, installation of gas, sewerage, electrical and water services, and the development of a new access road.
- 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 is 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 at a total cost of \$19.4 million. 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 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
Container Double Stacking on Rail.....	2,725	212	212	2,513	-	-	-
Inner and Outer Harbour - Security Upgrades.....	3,620	2,420	278	1,000	100	100	-
Fremantle Waterfront Project - Commercial Precinct							
Access and Services	4,229	1,329	-	2,900	-	-	-
Inner Harbour							
Deepening of the Inner Harbour Stage 1	107,655	100,255	58,279	7,400	-	-	-
Overseas Passenger Terminal.....	4,000	2,000	1,266	-	-	-	2,000
Replacement of Trucks.....	415	145	92	200	-	-	-
North Quay							
Berth Upgrades - Western Stage.....	80,256	71,756	31,493	8,500	-	-	-
Environmental Improvement Program	4,502	932	200	2,220	850	100	-
Replacement of Medium Voltage Cabling	2,422	1,422	381	1,000	-	-	-
Sewerage Upgrades	948	408	260	265	275	-	-
Outer Harbour							
Kwinana Bulk Jetty							
Fire Fighting Foam System.....	3,843	343	-	700	2,800	-	-
Replace Plant	570	70	70	500	-	-	-
Replace/Upgrade Transformer and Switchgear	550	100	100	200	150	100	-
Kwinana Bulk Terminal							
Civil and Mechanical Assets Upgrade	4,531	1,431	1,000	3,100	-	-	-
Dust Control and Roadworks.....	1,879	879	300	1,000	-	-	-
Infrastructure and Equipment Replacement and Upgrade.....	53,114	4,814	2,070	20,850	8,050	15,200	-
Upgrade Rail Infrastructure and Replacement of Other Plant	7,820	500	500	3,920	2,300	-	-
Plant and Equipment							
Mobile Truck Mounted Capstans	450	200	-	-	250	-	-
Replace Specialised Plant.....	380	280	280	-	-	100	-
Replacement of Special Purpose Trucks	1,140	670	-	-	470	-	-
Rous Head - Seawall Construction and Rous Head Extension - 2nd Stage.....	45,904	28,275	2,893	17,629	-	-	-
Victoria Quay - Fremantle Waterfront Implementation Plan.....	15,700	394	-	5,306	5,000	5,000	-
COMPLETED WORKS							
Inner and Outer Harbour							
Cathodic Protection Installation	374	374	374	-	-	-	-
Upgrade of Electrical Metering System.....	275	275	275	-	-	-	-
Vessel Traffic System Voice Communication System	500	500	500	-	-	-	-
Minor Works - Miscellaneous Minor Works							
2010-11 Program	1,079	1,079	1,079	-	-	-	-
North Quay							
Berth Upgrades - Eastern Stage.....	43,620	43,620	64	-	-	-	-
Land Acquisitions.....	319	319	319	-	-	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Outer Harbour							
Kwinana Bulk Jetty - Unloader No. 2 Emergency							
Unloading Boom Brake	250	250	250	-	-	-	-
Kwinana Bulk Terminal - Upgrade of conveyor EC03	5,838	5,838	5,500	-	-	-	-
Rous Head - Purchase of Seabed	200	200	200	-	-	-	-
Victoria Quay							
Upgrade Ferry Passenger Facilities and Public Amenities	2,950	2,950	2,486	-	-	-	-
Construction of a Tug Pen	300	300	300	-	-	-	-
NEW WORKS							
Inner Harbour							
Replacement of Mechanical Plant	970	-	-	-	-	-	490
Minor Works							
Miscellaneous Minor Works - 2011-12 Program	1,500	-	-	1,500	-	-	-
Miscellaneous Minor Works - 2012-13 Program	1,750	-	-	-	1,750	-	-
Miscellaneous Minor Works - 2013-14 Program	2,000	-	-	-	-	2,000	-
Miscellaneous Minor Works - 2014-15 Program	2,000	-	-	-	-	-	2,000
North Quay							
Land Acquisitions	13,729	-	-	-	729	3,000	10,000
Berth No. 1 - Heavy Duty Pad	7,400	-	-	7,400	-	-	-
Berth No. 2 - Upgrade/New Fendering	5,000	-	-	5,000	-	-	-
Rail Terminal Stage 2	19,428	-	-	-	5,000	14,428	-
Outer Harbour							
Kwinana Bulk Jetty							
Bulk Handling Equipment	32,807	-	-	-	-	2,592	23,176
Export-Import Infrastructure	60,661	-	-	-	518	13,504	22,728
Truck Loading Facility and Storage Shed Lot 13	14,000	-	-	-	-	1,000	13,000
Export - Import Infrastructure Phase 2	15,000	-	-	-	500	10,000	4,500
Land Acquisition Lot 13	13,000	-	-	1,000	12,000	-	-
New Rail Link (Second Spur Line)	500	-	-	-	500	-	-
Kwinana Bulk Terminal							
Undercover Storage	13,429	-	-	-	367	3,000	10,062
Upgrade of Export Infrastructure	25,000	-	-	-	-	15,000	10,000
Land Acquisitions Kwinana Port Area	50,000	-	-	-	-	-	25,000
Plant and Equipment - Replace Floating Plant	14,500	-	-	3,500	-	4,000	7,000
Rous Head - New Marina	15,655	-	-	-	5,800	9,760	95
Transport Interchange Facilities	10,000	-	-	5,000	5,000	-	-
Victoria Quay							
Berth D - Fendering	950	-	-	950	-	-	-
Motor Vehicle Decking	3,900	-	-	-	-	-	3,900
Slipway Area - Provision of Services	776	-	-	-	382	394	-
Upgrade Public Amenities	450	-	-	-	450	-	-
Berth E - Upgrade Fendering	3,000	-	-	3,000	-	-	-
Motor Vehicle Decking Stage 2	3,900	-	-	-	-	-	3,900
Total Cost of Asset Investment Program	733,663	274,540	111,021	106,553	53,241	99,278	137,851
FUNDED BY							
Equity Contribution			103	14,500	-	-	-
Borrowings			106,454	91,867	46,500	91,900	125,600
Internal Funds and Balances			4,252	(2,327)	6,741	7,378	12,251
Other			212	2,513	-	-	-
Total Funding			111,021	106,553	53,241	99,278	137,851

GERALDTON PORT AUTHORITY

ASSET INVESTMENT PROGRAM

The Authority's planned asset investment funding for 2011-12 is \$4.6 million. Planned projects include:

- Miscellaneous works of \$2.5 million that will enable upgrades to the Port's power and services infrastructure and for the equipment replacement program.
- Oakajee Port and Rail Project
 - Preliminary design and scope work on the Oakajee Port will be undertaken. Expenditure on consulting activities providing assurance on compatibility and preliminary design of related Port navigation and infrastructure requirements will progressively increase as the project moves toward being operational.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
Oakajee Port and Rail Project	11,011	2,210	2,210	2,116	2,901	3,784	-
COMPLETED WORKS							
Miscellaneous Works - 2010-11 Program	2,500	2,500	2,500	-	-	-	-
Wastewater Treatment Plant	2,000	2,000	2,000	-	-	-	-
NEW WORKS							
Miscellaneous Works - 2011-12 Program	2,500	-	-	2,500	-	-	-
Miscellaneous Works - 2012-13 Program	2,500	-	-	-	2,500	-	-
Miscellaneous Works - 2013-14 Program	2,500	-	-	-	-	2,500	-
Miscellaneous Works - 2014-15 Program	2,500	-	-	-	-	-	2,500
Total Cost of Asset Investment Program.....	25,511	6,710	6,710	4,616	5,401	6,284	2,500
FUNDED BY							
Borrowings			2,078	1,866	2,492	3,174	-
Internal Funds and Balances			4,632	2,750	2,909	3,110	2,500
Total Funding			6,710	4,616	5,401	6,284	2,500

PORT HEDLAND PORT AUTHORITY

ASSET INVESTMENT PROGRAM

The Authority's 2011-12 asset investment program totals \$7.0 million for the minor works program.

The minor works program provides for safety upgrades, shiploader minor works, computers, office equipment, electrical upgrades, housing and security which is necessary to meet the operational requirements of the Port.

Specific projects to be undertaken in 2011-12 include the provision of electronic swipe access at Utah Point, roadway upgrades, improvements to spillage control, automation of water control, and shiploader automation.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COMPLETED WORKS							
Minor Works - 2010-11 Program	5,000	5,000	5,000	-	-	-	-
Utah Point Berth - Multi User Panamax Berth	295,911	295,911	66,852	-	-	-	-
NEW WORKS							
Minor Works							
2011-12 Program	7,000	-	-	7,000	-	-	-
2012-13 Program	7,000	-	-	-	7,000	-	-
2013-14 Program	7,000	-	-	-	-	7,000	-
2014-15 Program	7,000	-	-	-	-	-	7,000
Total Cost of Asset Investment Program.....	328,911	300,911	71,852	7,000	7,000	7,000	7,000
FUNDED BY							
Borrowings			70,000	-	-	-	-
Internal Funds and Balances			1,852	7,000	7,000	7,000	7,000
Total Funding			71,852	7,000	7,000	7,000	7,000

HOUSING AUTHORITY

PART 13 - MINISTER FOR TRANSPORT; HOUSING

DIVISION 58

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 90 Net amount appropriated to deliver services	101,463	16,976	16,976	103,131	20,722	17,578	17,858
Total appropriations provided to deliver services	101,463	16,976	16,976	103,131	20,722	17,578	17,858
CAPITAL							
Item 151 Capital Appropriation.....	359,601	374,574	374,574	169,521	37,776	14,375	-
TOTAL APPROPRIATIONS	461,064	391,550	391,550	272,652	58,498	31,953	17,858
EXPENSES							
Total Cost of Services	1,073,604	1,105,058	1,434,528	1,306,044	1,362,188	1,524,305	1,518,837
Net Cost of Services ^(a)	33,123	143,811	351,717	122,305	(61,736)	(13,385)	(16,880)
CASH ASSETS ^(b)	359,725	57,380	50,009	36,219	94,537	92,897	98,972

(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 SPENDING CHANGES

Details of major decisions impacting on the agency's Income Statement since publication of the 2010-11 Budget to Parliament on 20 May 2010 are outlined below.

	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Remote Area Essential Services Program	-	25,279	-	-	-
Royalties for Regions - Improving Water Quality in Remote Indigenous Communities	-	2,400	9,750	-	-
Town Reserves Regularisation Program	-	6,000	-	-	-

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 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
Results-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 4. Government Regional Officers' Housing

Service Summary

Expense	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
1. Rental Housing.....	522,074	617,258	847,369	628,231	670,207	757,163	750,180
2. Home Loans	233,069	186,055	259,211	318,007	299,199	338,020	334,902
3. Land	177,132	158,231	174,397	200,760	227,391	256,895	254,526
4. Government Regional Officers' Housing.....	141,329	143,514	153,551	159,046	165,391	172,227	179,229
Total Cost of Services.....	1,073,604	1,105,058	1,434,528	1,306,044	1,362,188	1,524,305	1,518,837

Significant Issues Impacting the Agency

- With recent strong economic growth, increases in property prices and rents have consistently outstripped the rise in income, creating a housing affordability crisis for a much greater proportion of the Western Australian population, and an increase in the social housing waiting list.
- The release of the 10 year State Affordable Housing Strategy in 2010-11 is a first for Western Australia. It provides for a system-wide response to help address the decline in affordable key entry points along the housing continuum and is based on three core themes:
 - strengthening social housing;
 - improving affordable housing supply; and
 - enabling people to access different types of affordable housing, as their circumstances allow.
- The Housing Authority will receive funding of \$150.7 million over three years from 2011-12 to 2013-14 to meet the housing needs of some of the most vulnerable in our community. This will provide an additional 284 homes for the high needs clients of the Disability Services Commission (\$95.7 million for 169 homes), Mental Health Commission (\$46.5 million for 100 homes) and the Drug and Alcohol Office (\$8.5 million for 15 homes).

- The provision of essential services to remote Indigenous communities presents a number of challenges for the Housing Authority and its contracted service providers, with much of the infrastructure in remote communities ageing and becoming increasingly expensive to maintain and repair. In 2011-12, the Housing Authority will receive additional funding of \$25.3 million for the continuation of services under the Remote Area Essential Services Program, and \$6.0 million for the continued regularisation of services under the Town Reserves Regularisation Program for Indigenous town-based communities.
- In addition, \$12.2 million has been allocated from Royalties for Regions (RfR) funding to improve water quality in up to 16 remote Indigenous communities. This funding will enable the Housing Authority to improve water supply and treatment infrastructure in these communities in order to address public health risks and ensure compliance with Australian Drinking Water Guidelines.
- RfR funding of \$25.0 million has been provided in 2010-11 to deliver 39 new homes for key workers of Non-Government Organisations (NGOs). This pilot project aims to ensure community services in regional areas are sustained by providing access for workers of NGOs to affordable housing options.
- Under the Commonwealth stimulus program, 1,755 dwellings will be completed by 2011-12. As part of the Government's strategy to build the capacity of the community housing sector to meet the housing needs of Western Australians, 1,189 properties will be transferred to community housing growth providers by June 2012. The transfer and head lease of public housing stock to these large community housing providers will enable them to borrow funds to build an additional 1,000 homes by 2020.
- Funding of \$33.2 million has been approved to support the new West Kimberley Regional Prison, scheduled for commissioning in early 2012. The Government will provide up to 53 homes for employees of the Department of Corrective Services who will work at the prison.
- In 2010-11, further progress was made on the Government's initiative to identify and dispose of high-value Housing Authority properties in order to reinvest the sale proceeds for the acquisition of affordable housing in more sustainable and less expensive suburbs. Under this initiative, as at March 2011, a total of 22 properties had been sold, realising \$20.7 million and resulting in the acquisition of 25 established properties and the construction of 56 new units on land owned by the Housing Authority.
- The Housing Authority continues to pursue critical partnerships with the private sector and build on the success of current Public Private Partnerships (PPPs) by using Government land to attract private sector capital.
- In 2011-12, the Government revised its Disruptive Behaviour Management Strategy in response to community concerns regarding the standard of acceptable behaviour by public housing tenants. The key outcomes sought by the revised Strategy include greater confidence by the community that when disruptive behaviour is reported to the Housing Authority, the appropriate action will be taken, and tenants, who are seriously or continuously disruptive, are held to account for their behaviour.

Outcomes and Key Effectiveness Indicators ^(a)

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 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)	1.03	0.80	0.83	0.88	1
Waiting times for accommodation - applicants housed	93 weeks	103 weeks	96 weeks	108 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)	95%	95%	94%	94%	

(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 increase in the 2011-12 Budget Target compared to the 2010-11 Estimated Actual is due to a projected increase in assistances as a result of additional housing through the State and Commonwealth Stimulus packages, and an increase in bond assistance loans approved to assist people to enter the private rental housing market.
2. The increase in the 2011-12 Budget Target compared to the 2010-11 Budget is due to continuing strong demand for social housing. The decrease in the 2010-11 Estimated Actual is a result of additional housing through the State and Commonwealth Stimulus packages.

Services and Key Efficiency Indicators**1: Rental Housing**

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 522,074	\$'000 617,258	\$'000 847,369	\$'000 628,231	
Less Income.....	321,025	524,735	378,253	394,187	
Net Cost of Service	201,049	92,523	469,116	234,044	
Efficiency Indicators					
Operating Cost per Rental Property	\$12,505	\$11,535	\$13,075	\$12,457	1

Explanation of Significant Movements

(Notes)

1. The increase in the 2010-11 Estimated Actual compared to the 2010-11 Budget reflects increased expenditure on refurbishments and improvements on public rental housing in the regions, and maintenance on Indigenous community housing partially as a result of increased Commonwealth funding.

2: Home Loans

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 233,069	\$'000 186,055	\$'000 259,211	\$'000 318,007	
Less Income.....	294,273	157,989	289,748	332,970	
Net Cost of Service	(61,204)	28,066	(30,537)	(14,963)	
Efficiency Indicators					
Operating Cost per Current Loan Account	\$1,330	\$2,167	\$1,143	\$1,259	1

Explanation of Significant Movements

(Notes)

1. The higher 2010-11 Budget is due to the inclusion of loan origination fees, which were not included in the 2010-11 Estimated Actual and the 2011-12 Budget Target. The cost of loan administration has also reduced from the 2010-11 Budget due to the transfer of the Housing Authority's home loan business to Keystart.

3: Land

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	177,132	158,231	174,397	200,760	
Less Income.....	276,438	134,362	259,524	297,431	
Net Cost of Service	(99,306)	23,869	(85,127)	(96,671)	
Efficiency Indicators					
Operating Cost per Lot Developed.....	\$14,231	\$13,856	\$8,498	\$10,417	1

Explanation of Significant Movements

(Notes)

1. The decrease in the 2011-12 Budget Target and the 2010-11 Estimated Actual compared to the 2010-11 Budget is due to the forecast lot production increasing proportionate to the higher expected lot sales.

4: Government Regional Officers' Housing

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	141,329	143,514	153,551	159,046	
Less Income.....	148,745	144,161	155,286	159,151	
Net Cost of Service	(7,416)	(647)	(1,735)	(105)	
Efficiency Indicators					
Operating Cost per Property.....	\$26,899	\$23,355	\$27,979	\$27,781	1

Explanation of Significant Movements

(Notes)

1. The increase in the 2011-12 Budget Target and the 2010-11 Estimated Actual compared to the 2010-11 Budget reflects an increase in the rental expenses, including lease costs and depreciation costs, due to the replacement of stock with new dwellings. In addition, the 2010-11 Budget reflected a higher number of projected properties to meet the anticipated demand.

ASSET INVESTMENT PROGRAM

The Housing Authority's asset investment program for 2011-12 is approximately \$653.9 million. Significant programs in 2011-12 include:

- the provision of 169 dwellings for the high needs clients of the Disability Services Commission;
- the commencement of 100 dwellings for the high needs clients of the Mental Health Commission;
- the commencement of 15 dwellings for the high needs clients of the Drug and Alcohol Office;
- the completion of the Joondalup and Rockingham Intermediate Care Mental Health Units;
- the development of 2,805 affordable housing lots including 1,846 lots developed with Joint Venture partners;
- the acquisition of strategic land to meet land supply for current and future social housing and to maintain a stream of affordable land for home buyers; and
- the continuation of the RfR Housing for Workers program providing 415 homes ready for occupation in 2011-12 to retain key frontline government workers living in regional and remote Western Australia.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COMPLETED WORKS							
Commonwealth NPP for Social Housing							
2010-11 Program	11,595	11,595	11,595	-	-	-	-
Community Housing - 2010-11 Program	2,601	2,601	2,601	-	-	-	-
Computer Hardware and Software - 2010-11 Program	12,062	12,062	12,062	-	-	-	-
Construction and Purchase of Houses - 2010-11 Program	207,928	207,928	207,928	-	-	-	-
A Place to Call Home - Commonwealth Election Commitment - Homelessness Capital							
Expenditure - 2010-11 Program	10,495	10,495	10,495	-	-	-	-
Commonwealth Stimulus Package for Social Housing							
2010-11 Program	315,646	315,646	315,646	-	-	-	-
Crisis Accommodation - 2010-11 Program	12,429	12,429	12,429	-	-	-	-
East Kimberley Development Project							
2010-11 Program	29,441	29,441	29,441	-	-	-	-
Royalties for Regions - Indigenous Visitor Hostels							
2010-11 Program	1,000	1,000	1,000	-	-	-	-
Royalties for Regions - Roebourne Housing Initiative							
2010-11 Program	5,000	5,000	5,000	-	-	-	-
Construction and Purchase of Regional Officers Housing							
2010-11 Program	8,602	8,602	8,602	-	-	-	-
Royalties for Regions - Housing for Workers							
2010-11 Program	76,000	76,000	76,000	-	-	-	-
Estate Improvement Land Redevelopment							
2010-11 Program	26,268	26,268	26,268	-	-	-	-
Land							
Acquisition - 2010-11 Program	70,616	70,616	70,616	-	-	-	-
Development - 2010-11 Program	95,127	95,127	95,127	-	-	-	-
Holding Costs - 2010-11 Program	410	410	410	-	-	-	-
Redevelopment - 2010-11 Program	7,059	7,059	7,059	-	-	-	-
Shared Equity Program - 2010-11 Program	26,000	26,000	26,000	-	-	-	-
Minor Works - 2010-11 Program	1,000	1,000	1,000	-	-	-	-
Offices and Shops - 2010-11 Program	5,065	5,065	5,065	-	-	-	-
Other - 2010-11 Program	300	300	300	-	-	-	-
NEW WORKS							
Royalties for Regions - NGO Housing							
2010-11 Program	25,000	25,000	25,000	-	-	-	-
Community Housing							
2011-12 Program	2,744	-	-	2,744	-	-	-
2012-13 Program	1,460	-	-	-	1,460	-	-
2013-14 Program	1,519	-	-	-	-	1,519	-
2014-15 Program	1,579	-	-	-	-	-	1,579
Computer Hardware and Software							
2011-12 Program	4,881	-	-	4,881	-	-	-
2012-13 Program	12,040	-	-	-	12,040	-	-
2013-14 Program	7,102	-	-	-	-	7,102	-
2014-15 Program	7,280	-	-	-	-	-	7,280

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Construction and Purchase of Houses							
2011-12 Program.....	77,763	-	-	77,763	-	-	-
2012-13 Program.....	42,233	-	-	-	42,233	-	-
2013-14 Program.....	56,132	-	-	-	-	56,132	-
2014-15 Program.....	74,817	-	-	-	-	-	74,817
A Place to Call Home - Commonwealth Election							
Commitment - Homelessness Capital							
2011-12 Program.....	9,720	-	-	9,720	-	-	-
2012-13 Program.....	5,856	-	-	-	5,856	-	-
Commonwealth NPP for Social Housing							
2011-12 Program.....	488	-	-	488	-	-	-
Commonwealth Stimulus Package for Social Housing							
2011-12 Program.....	44,768	-	-	44,768	-	-	-
Crisis Accommodation							
2011-12 Program.....	4,888	-	-	4,888	-	-	-
2012-13 Program.....	6,204	-	-	-	6,204	-	-
2013-14 Program.....	6,172	-	-	-	-	6,172	-
2014-15 Program.....	6,055	-	-	-	-	-	6,055
Social Housing - Disability Services Commission							
2011-12 Program.....	43,500	-	-	43,500	-	-	-
2012-13 Program.....	37,776	-	-	-	37,776	-	-
2013-14 Program.....	14,375	-	-	-	-	14,375	-
Social Housing - Drug and Alcohol Office							
2011-12 Program.....	8,500	-	-	8,500	-	-	-
Social Housing - Mental Health Commission							
2011-12 Program.....	46,500	-	-	46,500	-	-	-
Social Housing - Mental Health Care Units							
2011-12 Program.....	12,800	-	-	12,800	-	-	-
East Kimberley Development Project - 2011-12 Program	14,020	-	-	14,020	-	-	-
Royalties for Regions - Indigenous Visitor Hostels							
2011-12 Program.....	6,000	-	-	6,000	-	-	-
2012-13 Program.....	6,000	-	-	-	6,000	-	-
Construction and Purchase of Regional Officers Housing							
2011-12 Program.....	16,476	-	-	16,476	-	-	-
2012-13 Program.....	15,000	-	-	-	15,000	-	-
2013-14 Program.....	29,000	-	-	-	-	29,000	-
2014-15 Program.....	20,000	-	-	-	-	-	20,000
Accommodation - Department of Corrective Services							
West Kimberly Regional Prison - 2011-12 Program	33,200	-	-	33,200	-	-	-
Royalties for Regions - Housing for Workers							
2011-12 Program.....	127,450	-	-	127,450	-	-	-
2012-13 Program.....	100,000	-	-	-	100,000	-	-
2013-14 Program.....	100,000	-	-	-	-	100,000	-
2014-15 Program.....	55,500	-	-	-	-	-	55,500
Estate Improvement Land Redevelopment							
2011-12 Program.....	20,332	-	-	20,332	-	-	-
2012-13 Program.....	20,313	-	-	-	20,313	-	-
2013-14 Program.....	21,691	-	-	-	-	21,691	-
2014-15 Program.....	23,111	-	-	-	-	-	23,111
Land - Acquisition							
2011-12 Program.....	30,000	-	-	30,000	-	-	-
2012-13 Program.....	65,000	-	-	-	65,000	-	-
2013-14 Program.....	40,000	-	-	-	-	40,000	-
2014-15 Program.....	40,000	-	-	-	-	-	40,000
Development							
2011-12 Program.....	128,487	-	-	128,487	-	-	-
2012-13 Program.....	160,106	-	-	-	160,106	-	-
2013-14 Program.....	158,653	-	-	-	-	158,653	-
2014-15 Program.....	165,624	-	-	-	-	-	165,624
Holding Costs							
2011-12 Program.....	5,205	-	-	5,205	-	-	-
2012-13 Program.....	4,907	-	-	-	4,907	-	-
2013-14 Program.....	5,190	-	-	-	-	5,190	-
2014-15 Program.....	5,490	-	-	-	-	-	5,490
Redevelopment							
2011-12 Program.....	2,028	-	-	2,028	-	-	-
2012-13 Program.....	3,636	-	-	-	3,636	-	-
2013-14 Program.....	2,727	-	-	-	-	2,727	-
2014-15 Program.....	2,727	-	-	-	-	-	2,727

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Shared Equity Program							
2011-12 Program.....	9,000	-	-	9,000	-	-	-
2012-13 Program.....	12,000	-	-	-	12,000	-	-
2013-14 Program.....	12,000	-	-	-	-	12,000	-
2014-15 Program.....	11,000	-	-	-	-	-	11,000
Minor Works							
2011-12 Program.....	2,154	-	-	2,154	-	-	-
2012-13 Program.....	2,208	-	-	-	2,208	-	-
2013-14 Program.....	2,263	-	-	-	-	2,263	-
2014-15 Program.....	2,320	-	-	-	-	-	2,320
Offices and Shops							
2011-12 Program.....	2,721	-	-	2,721	-	-	-
2012-13 Program.....	1,000	-	-	-	1,000	-	-
2013-14 Program.....	1,000	-	-	-	-	1,000	-
2014-15 Program.....	1,000	-	-	-	-	-	1,000
Other							
2011-12 Program.....	308	-	-	308	-	-	-
2012-13 Program.....	316	-	-	-	316	-	-
2013-14 Program.....	324	-	-	-	-	324	-
2014-15 Program.....	332	-	-	-	-	-	332
Total Cost of Asset Investment Program.....	2,974,615	949,644	949,644	653,933	496,055	458,148	416,835
FUNDED BY							
Capital Appropriation.....			374,574	169,521	37,776	14,375	-
Asset Sales			270,494	330,800	428,023	434,040	437,243
Borrowings			-	20,000	50,000	18,400	-
Commonwealth Grants and Funds			95,632	105,613	138,855	191,278	191,278
Internal Funds and Balances.....			100,954	(162,803)	(272,089)	(304,663)	(271,904)
Other			8,440	57,352	7,490	4,718	4,718
Drawdowns from Royalties for Regions Fund ^(a)			99,550	133,450	106,000	100,000	55,500
Total Funding			949,644	653,933	496,055	458,148	416,835

(a) Capital works funded from the Royalties for Regions - Regional Infrastructure and Headworks Fund.

FINANCIAL STATEMENTS**Income Statement***Expenses*

Total Cost of Services is projected to decrease by \$128.5 million (9%) in 2011-12 compared to the 2010-11 Estimated Actual. The reduction in expenses are mainly due to:

- \$230.1 million transfers of housing assets to the Community Housing Sector in 2010-11 as part of the Commonwealth Stimulus program;
- \$11.7 million decrease in expenditure for improvements to properties;
- \$59.5 million increase in interest expense for Keystart loans reflecting forecast growth in loans and changing financial market conditions;
- \$40.5 million increase in expenditure on remote indigenous housing; and
- \$27.9 million increase in cost of land sold consistent with increased land sale projections in 2011-12.

Income

Total income is forecast to increase by \$100.9 million (9.3%) compared to the 2010-11 Estimated Actual and is mainly due to:

- \$30.7 million projected increase in land sales revenue;
- \$49.9 million from interest earnings from increased Keystart activity and projected financial market conditions;
- \$11.1 million in higher rent revenue proceeds from social housing and Government Regional Officers Housing;
- \$4.9 million in projected profit on sale of fixed assets;
- \$8.6 million lower revenue from developers contributions from community housing joint ventures; and
- \$14.4 million reduction to Keystart dividends payable to the Housing Authority.

Statement of Financial Position

The Housing Authority's total assets in 2011-12 are projected to increase by \$832.0 million (4.5%) in comparison to the 2010-11 Estimated Actual. This outcome is mainly attributable to rental property revaluations, projected increases in Keystart loans and State and Commonwealth Government contributions (including RfR funding) for additional dwelling commencements.

Statement of Cashflows

Net cash holdings are projected to decrease by \$13.8 million (27.6%) compared to the 2010-11 Estimated Actual and mainly reflects finalisation of Commonwealth Stimulus spending and is partially offset by increased State funding, including RfR funding and forecast higher land sale proceeds in 2011-12.

INCOME STATEMENT ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits	68,225	94,600	98,699	104,400	109,020	114,001	118,640
Grants and subsidies ^(b)	105,703	166,900	4,880	4,914	4,527	4,598	4,756
Supplies and services	112,403	103,409	243,817	282,303	239,796	296,535	301,053
Accommodation	164,460	123,355	128,150	116,401	136,866	140,990	145,255
Depreciation and amortisation	112,642	106,406	111,940	112,452	112,964	113,497	114,052
Finance costs	190,860	240,677	292,303	351,811	422,888	454,045	423,858
Cost of land sold	143,755	115,369	143,681	171,614	155,823	217,638	227,535
Loss of disposal on non-current assets	19,137	791	9,242	-	-	-	-
Net Assets Transferred Out	-	-	230,054	-	-	-	-
Other expenses	156,419	153,551	171,762	162,149	180,304	183,001	183,688
TOTAL COST OF SERVICES	1,073,604	1,105,058	1,434,528	1,306,044	1,362,188	1,524,305	1,518,837
Income							
Sale of goods and services	244,711	228,146	218,532	249,204	373,424	377,026	385,973
Grants and subsidies	312,114	195,807	207,839	224,489	250,554	305,499	308,078
Interest revenue	148,024	191,721	243,707	293,645	368,401	401,935	375,823
Rent	321,188	321,628	344,388	355,531	377,169	386,690	398,777
Developers Contribution	3,391	21,100	10,141	1,500	788	819	852
Public corporations – statutory contribution	-	-	53,470	39,030	37,390	46,481	49,617
Other revenue	11,053	2,845	4,734	20,340	16,198	19,240	16,597
Total Income	1,040,481	961,247	1,082,811	1,183,739	1,423,924	1,537,690	1,535,717
NET COST OF SERVICES	33,123	143,811	351,717	122,305	(61,736)	(13,385)	(16,880)
INCOME FROM STATE GOVERNMENT							
Service appropriations	101,463	16,976	16,976	103,131	20,722	17,578	17,858
Royalties for regions fund	-	-	-	2,400	9,750	-	-
TOTAL INCOME FROM STATE GOVERNMENT	101,463	16,976	16,976	105,531	30,472	17,578	17,858
SURPLUS/(DEFICIENCY) FOR THE PERIOD	68,340	(126,835)	(334,741)	(16,774)	92,208	30,963	34,738
Extraordinary items	157,606	-	-	-	-	-	-
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	225,946	(126,835)	(334,741)	(16,774)	92,208	30,963	34,738

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

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

Details of Controlled Grants and Subsidies

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Community Housing	-	41,161	-	-	-	-	-
Community Maintenance and Infrastructure Works	54,588	66,427	-	-	-	-	-
Community Support Schemes	6,229	2,198	4,880	4,914	4,527	4,598	4,756
Fitzroy Crossing Swimming Pool Construction and Ongoing Management	-	962	-	-	-	-	-
Indigenous Community Construction	32,507	26,820	-	-	-	-	-
Operational Housing and Management Support	12,379	15,404	-	-	-	-	-
Remote Area Essential Services Program (RAESP) ^(a)	-	13,928	-	-	-	-	-
TOTAL	105,703	166,900	4,880	4,914	4,527	4,598	4,756

(a) Prior year grant category has been adjusted to more accurately reflect the nature of the service delivery for RAESP.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	338,466	44,569	15,570	1,780	20,098	18,458	24,533
Restricted cash.....	35,680	12,811	34,439	34,439	74,439	74,439	74,439
Receivables	86,058	82,278	86,617	87,298	87,979	87,659	87,659
Other.....	2,541,538	2,028,999	1,397,242	1,396,980	1,396,691	1,396,373	1,396,024
Assets held for sale.....	2,820	1,435	2,820	2,820	2,820	2,820	2,820
Total current assets.....	3,004,562	2,170,092	1,536,688	1,523,317	1,582,027	1,579,749	1,585,475
NON-CURRENT ASSETS							
Property, plant and equipment.....	11,912,259	13,151,628	12,222,780	12,568,781	12,778,892	12,859,639	12,892,713
Intangibles	3,065	2,939	3,320	3,320	3,320	3,320	3,320
Other.....	2,197,571	3,219,465	3,865,817	4,364,809	4,863,891	5,368,572	5,865,774
Total non-current assets	14,112,895	16,374,032	16,091,917	16,936,910	17,646,103	18,231,531	18,761,807
TOTAL ASSETS.....	17,117,457	18,544,124	17,628,605	18,460,227	19,228,130	19,811,280	20,347,282
CURRENT LIABILITIES							
Employee provisions	13,207	14,056	13,809	14,363	14,917	15,461	14,787
Payables.....	39,509	37,410	40,345	40,345	40,345	40,345	40,345
Other.....	101,696	109,611	104,688	107,006	109,023	101,626	101,616
Total current liabilities	154,412	161,077	158,842	161,714	164,285	157,432	156,748
NON-CURRENT LIABILITIES							
Employee provisions	31,185	32,435	30,593	30,049	29,505	28,961	29,612
Borrowings	5,227,091	5,752,854	5,704,614	6,180,031	6,681,247	7,126,307	7,572,104
Other.....	4,805	6,857	4,806	4,805	4,805	4,805	4,805
Total non-current liabilities	5,263,081	5,792,146	5,740,013	6,214,885	6,715,557	7,160,073	7,606,521
TOTAL LIABILITIES	5,417,493	5,953,223	5,898,855	6,376,599	6,879,842	7,317,505	7,763,269
EQUITY							
Contributed equity.....	1,065,961	1,542,036	1,540,085	1,843,056	1,986,832	2,101,207	2,156,707
Accumulated surplus/(deficit)	2,906,392	2,667,246	2,585,327	2,568,553	2,660,761	2,691,724	2,726,462
Reserves	7,727,611	8,381,619	7,604,338	7,672,019	7,700,695	7,700,844	7,700,844
Total equity.....	11,699,964	12,590,901	11,729,750	12,083,628	12,348,288	12,493,775	12,584,013
TOTAL LIABILITIES AND EQUITY	17,117,457	18,544,124	17,628,605	18,460,227	19,228,130	19,811,280	20,347,282

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	98,606	16,976	16,976	103,131	20,722	17,578	17,858
Capital appropriation.....	359,601	374,574	374,574	169,521	37,776	14,375	-
Royalties for regions fund ^(b)	94,000	84,500	99,550	135,850	115,750	100,000	55,500
Net cash provided by State Government.....	552,207	476,050	491,100	408,502	174,248	131,953	73,358
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(79,664)	(96,046)	(101,242)	(107,046)	(111,771)	(116,859)	(121,632)
Grants and subsidies.....	(128,530)	(166,900)	(4,880)	(4,914)	(4,527)	(4,598)	(4,756)
Supplies and services.....	(192,246)	(168,475)	(386,118)	(389,979)	(410,917)	(438,033)	(447,237)
Accommodation.....	(163,176)	(121,248)	(128,781)	(115,448)	(136,056)	(140,302)	(144,689)
Finance Costs.....	(174,266)	(236,926)	(289,290)	(349,474)	(420,851)	(466,480)	(424,641)
Other payments.....	(280,010)	(232,503)	(251,139)	(245,780)	(268,819)	(275,396)	(279,945)
Receipts							
Grants and subsidies.....	314,971	195,807	207,839	224,489	250,554	305,499	308,078
Sale of goods and services.....	225,140	201,952	177,699	213,670	334,424	335,585	344,089
GST receipts.....	16,544	-	3,238	21,762	-	-	-
Interest received.....	129,910	190,045	243,379	293,907	368,690	402,253	376,172
Rent received.....	321,867	321,807	344,586	355,739	377,439	387,025	399,176
Dividend/statutory contributions received.....	-	53,470	53,470	39,030	37,390	46,481	49,617
Other receipts.....	20,716	23,591	14,029	16,078	14,874	17,237	15,836
Net cash from operating activities.....	11,256	(35,426)	(117,210)	(47,966)	30,430	52,412	70,068
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(505,094)	(538,320)	(704,678)	(458,881)	(230,093)	(217,887)	(168,883)
Other payments.....	(7)	(10,000)	(26,000)	(9,000)	(12,000)	(12,000)	(11,000)
Proceeds from sale of non-current assets.....	96,027	86,945	92,795	117,130	93,599	98,455	93,154
Other receipts.....	2	-	-	-	-	-	-
Net cash from investing activities.....	(409,072)	(461,375)	(637,883)	(350,751)	(148,494)	(131,432)	(86,729)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(18,130,737)	(23,191,350)	(15,950,723)	(14,803,575)	(16,362,866)	(14,832,973)	(14,860,622)
Other proceeds.....	(19,515,000)	(23,646,009)	(16,428,246)	(15,258,992)	(16,814,082)	(15,264,681)	(15,307,203)
Proceeds from borrowings.....	19,616,554	23,646,009	16,428,246	15,278,992	16,864,082	15,283,081	15,307,203
Other proceeds.....	18,095,000	23,145,000	15,905,000	14,760,000	16,315,000	14,760,000	14,810,000
Net cash from financing activities.....	65,817	(46,350)	(45,723)	(23,575)	2,134	(54,573)	(50,622)
NET INCREASE/(DECREASE) IN CASH HELD.....	220,208	(67,101)	(309,716)	(13,790)	58,318	(1,640)	6,075
Cash assets at the beginning of the reporting period.....	139,517	124,481	359,725	50,009	36,219	94,537	92,897
Cash assets at the end of the reporting period.....	359,725	57,380	50,009	36,219	94,537	92,897	98,972

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

(b) Regional Infrastructure and Headworks Fund - \$94.0 million (2009-10 Actual), \$84.5 million (2010-11 Budget), \$99.6 million (2010-11 Estimated Actual), \$135.9 million (2011-12 Budget Estimate), \$115.8 million (2012-13), \$100.0 million (2013-14), \$55.5 million (2014-15).

KEYSTART HOUSING SCHEME TRUST

ASSET INVESTMENT PROGRAM

Keystart's asset investment program for 2011-12 and the forward estimates period totals \$4.2 million. This will fund upgrades to Information Technology (IT) hardware and software.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
IT Systems	5,706	3,506	478	700	500	500	500
COMPLETED WORKS							
Office Fit-Out.....	750	750	750	-	-	-	-
Total Cost of Asset Investment Program.....	6,456	4,256	1,228	700	500	500	500
FUNDED BY							
Internal Funds and Balances.....			1,228	700	500	500	500
Total Funding			1,228	700	500	500	500

Part 14

Minister for Child Protection; Community Services; Seniors and Volunteering; Women's Interests; Youth

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2010-11 Budget \$' 000	2010-11 Estimated Actual \$' 000	2011-12 Budget Estimate \$' 000
717	Child Protection			
	- Delivery of Services.....	394,285	395,764	440,405
	- Capital Appropriation.....	23,623	23,623	11,810
	Total	417,908	419,387	452,215
730	Communities			
	- Delivery of Services.....	154,094	153,200	98,104
	- Capital Appropriation.....	-	-	1,690
	Total	154,094	153,200	99,794
	GRAND TOTAL			
	- Delivery of Services.....	548,379	548,964	538,509
	- Capital Appropriation.....	23,623	23,623	13,500
	Total.....	572,002	572,587	552,009

CHILD PROTECTION

PART 14 - MINISTER FOR CHILD PROTECTION; COMMUNITY SERVICES; SENIORS AND VOLUNTEERING; WOMEN'S INTERESTS; YOUTH

DIVISION 59

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 91 Net amount appropriated to deliver services	344,793	393,901	395,375	439,983	450,606	465,763	479,652
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975.....	326	384	389	422	435	449	464
Total appropriations provided to deliver services	345,119	394,285	395,764	440,405	451,041	466,212	480,116
CAPITAL							
Item 152 Capital Appropriation.....	29,014	23,623	23,623	11,810	2,000	-	-
TOTAL APPROPRIATIONS	374,133	417,908	419,387	452,215	453,041	466,212	480,116
EXPENSES							
Total Cost of Services	391,174	442,060	447,874	487,077	500,522	518,225	534,491
Net Cost of Services ^(a)	354,216	398,998	403,854	446,824	460,673	477,644	493,140
CASH ASSETS ^(b)	31,562	11,050	16,120	17,987	18,913	18,837	18,837

(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 SPENDING CHANGES

Details of major decisions impacting on the agency's Income Statement since publication of the 2010-11 Budget to Parliament on 20 May 2010 are outlined below.

	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Acute Overnight Homeless Shelter	-	-	200	600	600
Civil Service Association General Agreement	467	1,184	2,201	3,004	3,102
Growth in Demand for Child Protection Services	-	12,195	12,561	12,938	13,326
Hardship Utility Grant Scheme (HUGS) and Financial Counselling Services	-	6,060	-	-	-
Additional Indexation for Non-Government Human Services Sector	1,930	2,430	2,870	5,350	7,960

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
Results-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	Children and young people in the CEO's care receive a high quality of care and have much improved life chances.	1. Supporting Children and Young People in the Chief Executive Officer's Care
	Children and young people needing protection are safe from abuse and harm.	2. Protecting Children and Young People from Abuse and Harm
	Families and individuals overcome their risks or crises and keep themselves and family members safe.	3. Supporting Individuals/Families at Risk or in Crisis

Service Summary

Expense	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
1. Supporting Children and Young People in the Chief Executive Officer's (CEO) Care	188,956	212,491	214,152	233,451	242,028	250,980	258,039
2. Protecting Children and Young People from Abuse and Harm	86,520	90,701	94,475	103,768	108,389	113,563	117,889
3. Supporting Individuals/Families at Risk or in Crisis.....	115,698	138,868	139,247	149,858	150,105	153,682	158,563
Total Cost of Services.....	391,174	442,060	447,874	487,077	500,522	518,225	534,491

Significant Issues Impacting the Agency

- Demand for care services remains a significant issue for the Department. As at February 2011, there were over 3,500 children in the CEO's care. The number of children entering care has been increasing over recent years with the rate of growth expected to moderate to match longer term trends.
- Most children in the CEO's care are in general (volunteer) and relative foster care arrangements. Recruiting foster carers continues to be a priority and a challenge, as it is nationally and internationally.
- A large number of children and young people in the CEO's care have highly complex needs requiring specialised placements for longer periods. There has been significant expansion in residential care services and specialised care placement options in 2010-11. The Department will continue its reform and expansion of residential care services in 2011-12.

- A secure care facility will open in 2011, providing nine short-term places for young people in the CEO's care who are a severe danger to themselves and/or others. The centre will enable young people to stabilise their behaviour, with a view to transitioning to continuing support services thereafter.
- The demand for child protection services has continued to increase but at a reduced level compared to the increases in previous years, reflecting a return to long-term trends.
- The Department's approach to child protection, through the 'Signs of Safety' framework, aims for more children to remain at home safely, by achieving greater engagement of extended family and parents in support services, consistent with the experience of international jurisdictions where this approach has been implemented.
- Income management as a child protection measure, in place in the metropolitan area and the Kimberley, has demonstrated to be effective in preventing problems escalating to require statutory child protection intervention, and negotiations with the Commonwealth Government are seeking its roll-out state-wide.
- Stronger partnership and coordination between government human service agencies is being achieved through the Child Safety Directors' Group, Regional Human Services Management Groups and the development of inter-agency Memoranda of Understanding (MOUs) including expanded information sharing.
- With almost 34,000 domestic violence incidents reported annually, the 'State Strategic Plan for Family and Domestic Violence' outlines priority actions to achieve better integrated responses by agencies, including child protection staff being co-located in police stations to receive referrals regarding family and domestic violence incidents where children are present.
- There has been a substantial increase in the utilisation of departmental services by persons from culturally and linguistically diverse (CaLD) backgrounds, particularly humanitarian new entrants. Dedicated departmental officers work with identified communities to maximise the effectiveness of child protection and family support services.
- Responsible parenting services will continue to be rolled out to regional parts of the State as part of a four year expansion. This will target high-risk families, with the aim of preventing children and young people entering the child protection or juvenile justice systems.
- Through the joint Commonwealth/State National Partnership Agreement on Homelessness, the Department in partnership with not-for-profit sector organisations, established an additional 110 positions in 14 programs to support people to overcome the issues that contribute to their homelessness, and provide an opportunity to move beyond the immediate crisis into long-term sustainable housing.
- The five year phasing-in of the Working with Children check (WWC) was completed in 2010-11, with all persons engaged in child-related work in Western Australia now requiring a WWC card. Almost 380,000 applications have been received and there are 268,000 individuals with current WWC cards.
- In response to an unprecedented number of fires and floods during 2010-11, the Department provided coordinated emergency welfare services, including accommodation, counselling, food and other essential items, with assistance to almost 1,000 people, ensuring that they were supported in their immediate crisis situation and assisted to re-establish their lives in the aftermath of these events.

Outcomes and Key Effectiveness Indicators ^(a)

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Outcome: Children and young people in the CEO's care receive a high quality of care and have much improved life chances:					
The proportion of children known to have been abused by caregivers while in the CEO's care ^(b)	n/a	0%	0.02%	0%	
The average number of placements per child in the CEO's care per year ^(b)	n/a	1.4	1.5	1.4	
The proportion of placements of Indigenous children made in accordance with the Aboriginal and Torres Strait Islanders (ATSI) Child Placement Principle ^(c)	n/a	85%	78%	85%	1
Outcome: Children and young people needing protection are safe from abuse and harm:					
Improved safety - resubstantiation rate within 12 months after a substantiation ^{(b) (d)}	n/a	95%	93%	95%	
Improved safety - substantiation rate within 12 months after a decision not to substantiate ^{(b) (e)}	n/a	95%	94%	95%	
Outcome: Families and individuals overcome their risks or crises and keep themselves and family members safe:					
Percentage of customers who report that they were supported to provide care and safety to their family members	93%	95%	92%	95%	
Percentage of customers who report confidence to manage as a result of receiving services	90%	95%	88%	95%	
Percentage of customers who report that their needs were met as a result of using services	97%	97%	96%	97%	

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

(b) Due to the implementation of a new client system from March 2010, the 2009-10 Actual relates to data from the period 1 July 2009 to 28 February 2010 and therefore is not comparable to Budget, Estimated Actual and Budget Target.

(c) Due to the implementation of a new client system from March 2010, the 2009-10 Actual relates to data as at 28 February 2010 and therefore is not comparable to Budget, Estimated Actual and Budget Target.

(d) This indicator is the proportion of children who were the subject of child maltreatment substantiation during the previous financial year and who were not the subject of a subsequent child maltreatment substantiation within 12 months. The indicator suggests the extent to which child protection interventions were successful in preventing further harm to children.

(e) This indicator is the proportion of children who were the subject of a decision not to substantiate child maltreatment during the previous financial year and who were not the subject of a subsequent substantiation of child maltreatment within 12 months. The indicator suggests the extent to which child protection investigations were successful in identifying risks.

Explanation of Significant Movements

(Notes)

1. The number and proportion of ATSI children in care has increased at a much higher rate than the number of available placement options with Indigenous carers or relatives. The Department is actively pursuing strategies to place children with relatives, and through a targeted intensive recruitment and retention program to register more Indigenous carers.

Services and Key Efficiency Indicators

1: Supporting Children and Young People in the CEO's Care

Services for the safety, support and wellbeing of children and young people in care of the CEO.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	188,956	212,491	214,152	233,451	1
Less Income.....	669	207	1,190	550	
Net Cost of Service	188,287	212,284	212,962	232,901	
Employees (Full Time Equivalents)	1,025	1,085	1,086	1,086	
Efficiency Indicators					
The Proportion of Care Plan Reviews Completed on Time ^(a)	n/a	85%	81%	85%	
Average Cost per Child per Day in the CEO's Care ^{(b) (c)}	n/a	\$171	\$176	\$183	

- (a) Due to the implementation of a new client system from March 2010, the 2009-10 Actual relates to data from the period 1 July 2009 to 28 February 2010 and therefore is not comparable to Budget, Estimated Actual and Budget Target.
- (b) The number of placement days provided for the 2009-10 Actual, 2010-11 Budget, 2010-11 Estimated Actual and 2011-12 Budget Target are 777,581, 1,244,833, 1,215,329 and 1,278,769 respectively. The number of placement days provided for the 2009-10 Actual is from the period 1 July 2009 to 28 February 2010 and therefore is not comparable to Budget, Estimated Actual and Budget Target.
- (c) The average cost has been calculated based on data from the period 1 July 2009 to 28 February 2010. The Total Cost of Service for this period was \$119.5 million and the number of placement days provided was 777,851. As a result, the 2009-10 Actual is not comparable to the Budget, Estimated Actual and Budget Target.

Explanation of Significant Movements

(Notes)

- The increase in total cost of services between years is due to additional funding received to support the increase in the number of children and young people coming into care and also reflects the Department's reform and expansion of residential care services.

2: Protecting Children and Young People from Abuse and Harm

Services to assess concerns about the wellbeing of children and young people and respond appropriately, including child protection investigations, the provision of intensive support services and applications for court orders.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	86,520	90,701	94,475	103,768	1
Less Income.....	387	84	296	303	
Net Cost of Service	86,133	90,617	94,179	103,465	
Employees (Full Time Equivalents)	680	699	701	701	
Efficiency Indicators					
The Proportion of Investigations with an Outcome Recorded within 30 Days ^(a)	n/a	40%	49%	40%	2
Average Cost per Child Involved in Child Protection Cases ^{(b) (c)}	n/a	\$7,309	\$7,202	\$7,505	3

- (a) The 2009-10 Actual relates to data as at 28 February 2010 and therefore is not comparable to Budget, Estimated Actual and Budget Target.
- (b) The number of children involved in child protection cases for the 2009-10 Actual, 2010-11 Budget, 2010-11 Estimated Actual and 2011-12 Budget Target are 8,432, 12,409, 13,118 and 13,826 respectively. The number of children involved in child protection cases for the 2009-10 Actual is from the period 1 July 2009 to 28 February 2010 and therefore is not comparable to the Budget, Estimated Actual and Budget Target.
- (c) The average cost has been calculated based on the data from the period 1 July 2009 to 28 February 2010. The Total Cost of Service for this period was \$55.3 million and the number of children involved in child protection cases was 8,432. As a result, the 2009-10 Actual is not comparable to the Budget, Estimated Actual and Budget Target.

Explanation of Significant Movements

(Notes)

1. The increase in total cost of services between years is due to additional funding received to support the increase in demand for child protection services.
2. For comparability purposes, existing counting rules have been applied to new child protection policies and practices, which may have contributed to a higher 2010-11 Estimated Actual than the 2010-11 Budget Target.
3. The lower average cost for the 2010-11 Estimated Actual compared to the 2010-11 Budget is due to a higher than anticipated number of children in protection cases.

3: Supporting Individuals/Families at Risk or In Crisis

Services to support at-risk individuals and families to overcome crisis and to reduce risk.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service	\$'000 115,698	\$'000 138,868	\$'000 139,247	\$'000 149,858	1
Less Income	35,902	42,771	42,534	39,400	
Net Cost of Service	79,796	96,097	96,713	110,458	
Employees (Full Time Equivalents) ^(a)	364	414	411	429	
Efficiency Indicators					
Average Cost per Client ^{(b) (c)}	\$1,359	\$1,670	\$1,655	\$1,664	2
Average Cost per Responsible Parenting Service - Parent Support Cases ^(d)	\$6,846	\$8,516	\$9,007	\$11,569	
Average Cost per Working with Children Screening ^(e)	\$94	\$95	\$100	\$103	

(a) The increase in FTE in the 2011-12 Budget Target is due to the further expansion of the Responsible Parenting Service.

(b) The calculation of this indicator excludes expenditure on services that do not have quantifiable clients.

(c) The number of clients for the 2009-10 Actual, 2010-11 Budget, 2010-11 Estimated Actual and 2011-12 Budget Target are 71,837, 69,337, 71,610 and 74,066 respectively.

(d) The number of Responsible Parenting Service - Parent Support cases for the 2009-10 Actual, 2010-11 Budget, 2010-11 Estimated Actual and 2011-12 Budget Target are 980, 1,351, 1,047 and 1,317 respectively.

(e) The number of Working with Children applications for the 2009-10 Actual, 2010-11 Budget, 2010-11 Estimated Actual and 2011-12 Budget Target are 95,260, 95,000, 95,000 and 92,000 respectively.

Explanation of Significant Movements

(Notes)

1. The increase from 2010-11 to 2011-12 is a result of additional funding received as a part of the Royalties for Regions project to further expand the Responsible Parenting Service to regional areas.
2. The increase to the average cost is due to the further expansion of the Responsible Parenting Services to the Pilbara and Goldfields as well as the full year operation of the Responsible Parenting Service in Murchison and the Great Southern in 2011-12.

ASSET INVESTMENT PROGRAM

The Department's asset investment program provides for the replacement, maintenance and expansion of assets that support the delivery of the Department's services. These include office accommodation, residential care facilities, office furniture and equipment and information technology hardware and software.

During 2010-11, significant projects included the provision of additional accommodation and alteration to existing offices to accommodate the increase in staff allocated to the Department. This included additional accommodation for Joondalup, Rockingham and Albany District offices. In addition, some of the Department's existing offices were also modified to improve safety and to provide appropriate and secure areas to address client services requirements.

In 2010-11, the Department has also made significant progress in the reform and expansion of residential care services. The Department has now purchased and modified all required properties across the metropolitan area as well as Catherine House and the existing Group Home in Broome. The Department's reform and expansion of residential care services will continue into 2011-12 to complete construction of Residential Care facilities in the regional areas.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
Accommodation - Service Delivery Accommodation	22,470	13,190	2,759	4,680	3,000	1,600	-
Hostels							
Hostels and Group Homes - Reform and expansion of							
Residential Care.....	9,032	5,817	2,810	3,215	-	-	-
Reform of Residential Care (Tier 3)	9,681	7,841	7,841	1,840	-	-	-
COMPLETED WORKS							
Computer Hardware and Software							
Infrastructure Replacement 2010-11	225	225	225	-	-	-	-
Hostels - Reform of Residential Care (Tiers 1 and 2)	34,927	34,927	22,067	-	-	-	-
NEW WORKS							
Buildings Minor Works - Heritage Buildings	75	-	-	75	-	-	-
Homelessness Accommodation - Acute Homeless Shelter	4,000	-	-	2,000	2,000	-	-
Total Cost of Asset Investment Program.....	80,410	62,000	35,702	11,810	5,000	1,600	-
FUNDED BY							
Capital Appropriation.....			23,623	11,810	2,000	-	-
Drawdowns from the Holding Account.....			-	-	3,000	1,600	-
Internal Funds and Balances.....			12,079	-	-	-	-
Total Funding			35,702	11,810	5,000	1,600	-

FINANCIAL STATEMENTS

Income Statement

Expenses

The total cost of services is budgeted to increase by \$39.2 million (9%) in 2011-12 compared to the 2010-11 Estimated Actual. This increase is mainly attributable to:

- \$12.2 million to address cost and demand pressures associated with delivery of statutory services;
- \$3.7 million increase to further expand the Responsible Parenting Services in regional areas funded by the Royalties for Regions Fund;
- \$3.5 million to continue reform and expansion of residential care services; and
- \$2.0 million in indexation for services provided by the community sector.

Income

Total income for 2011-12 is \$40.3 million compared to \$44.0 million in 2010-11. The reduction of \$3.7 million (8.4%) is mainly due to:

- \$2.4 million reduction for the Hardship Utility Grant Scheme and Financial Counselling received as service appropriation in 2011-12, in lieu of a direct grant from the Office of Energy in 2010-11; and
- lower Commonwealth funding for the East Kimberley Family and Domestic Violence Hub.

Statement of Financial Position

The Department's total net asset position (total equity) is expected to increase by \$12.9 million (9.3%) in 2011-12 compared to the 2010-11 Estimated Actual. This reflects an anticipated increase in total assets of \$15.0 million (8%) and offset by higher liabilities of \$2.1 million (4.6%) over the same period.

The expected increase in assets is attributable to the following:

- \$5.0 million of investment in residential care facilities under the Department's reform and expansion of residential care services;
- \$4.7 million investment in office accommodation; and
- \$2.0 million investment in accommodation for homeless people.

The increase in liabilities (\$2.1 million) is mainly attributable to projected increases in employee provisions as a result of salary and wages increase and employment of staff to fill vacancies.

Statement of Cashflows

The 2010-11 Estimated Actual cash assets balance of \$16.1 million represents a decrease of \$15.4 million in comparison to the 2009-10 Actual. The reduction in cash assets is predominately due to the carryover of \$10.7 million from 2009-10 of capital project underspends associated with investments to reform and applied in 2010-11 to expand the Department's residential care facilities.

INCOME STATEMENT ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	176,670	199,128	201,050	222,418	234,573	244,437	252,700
Grants and subsidies ^(c)	60,779	63,664	62,597	67,687	64,400	63,989	65,654
Supplies and services ^(d)	131,462	159,105	163,414	175,088	177,022	184,825	190,057
Accommodation	8,165	7,763	8,413	8,413	8,408	8,768	9,707
Depreciation and amortisation	3,647	6,650	6,650	7,616	10,196	10,105	10,105
Other expenses	10,451	5,750	5,750	5,855	5,923	6,101	6,268
TOTAL COST OF SERVICES.....	391,174	442,060	447,874	487,077	500,522	518,225	534,491
Income							
Sale of goods and services	3,515	3,669	3,698	3,585	3,585	3,585	3,585
Grants and subsidies	30,874	37,472	37,507	35,288	34,864	35,596	36,346
Other revenue	2,569	1,921	2,815	1,380	1,400	1,400	1,420
Total Income	36,958	43,062	44,020	40,253	39,849	40,581	41,351
NET COST OF SERVICES	354,216	398,998	403,854	446,824	460,673	477,644	493,140
INCOME FROM STATE GOVERNMENT							
Service appropriations	345,119	394,285	395,764	440,405	451,041	466,212	480,116
Resources received free of charge	1,042	890	1,100	1,100	1,100	1,100	1,100
Royalties for regions fund ^(e)	-	2,778	2,778	6,461	9,343	9,343	10,201
Other appropriations ^(f)	14,200	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	360,361	397,953	399,642	447,966	461,484	476,655	491,417
SURPLUS/(DEFICIENCY) FOR THE PERIOD	6,145	(1,045)	(4,212)	1,142	811	(989)	(1,723)
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	6,145	(1,045)	(4,212)	1,142	811	(989)	(1,723)

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

(b) The Full Time Equivalents (FTEs) for 2009-10 Actual, 2010-11 Estimated Actual and 2011-12 Estimates are 2,069, 2,198 and 2,216 respectively. In some cases the figures for 2009-10 and 2010-11 may differ from previously published figures due to changes in calculation methodology.

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

(d) This includes funding to non-government organisations with indexation provided for State funded non-government services based on a composite wage-cost index of 4% in 2009-10, 3.95% in 2010-11, 4% in 2011-12 and 4.25% in 2012-13 and 2013-14.

(e) Regional Community Services Fund - \$0 (2009-10), \$2.8 million (2010-11 Budget), \$2.8 million (2010-11 Estimated Actual), \$6.5 million (2011-12), \$9.3 million (2012-13), \$9.3 million (2013-14), \$10.2 million (2014-15).

(f) Other appropriation relates to a provisional allocation of funds appropriated as a Department of Treasury and Finance Administered Item. The funding has been approved with this appropriation appearing under Service appropriations from 2010-11 onwards.

Details of Controlled Grants and Subsidies

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Children in Care	56,778	54,717	54,717	59,802	60,027	60,304	61,969
Family Crisis Program	1,553	2,090	2,023	2,010	2,010	2,010	2,010
Hardship Utility Grants Scheme ^{(a) (b)}	2,062	6,115	5,115	5,115	1,585	1,585	1,585
Other	386	742	742	760	778	90	90
TOTAL	60,779	63,664	62,597	67,687	64,400	63,989	65,654

- (a) Lower funding in the outyears for Hardship Utility Grants Scheme (HUGS) reflects base provisions which are reviewed on an annual basis to take account of change in demand and electricity tariffs.
- (b) The movement between the 2010-11 Budget and the 2010-11 Estimated Actual is due to a realignment of funding for additional financial counsellors to support HUGS. It is anticipated that the additional financial counselling resources will assist in meeting the increasing demand of HUGS in the future.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	21,180	6,378	5,626	7,022	7,022	6,329	5,143
Restricted cash.....	7,664	2,556	7,590	7,590	7,590	7,590	7,590
Receivables	2,242	2,767	2,242	2,242	2,242	2,242	2,242
Other.....	2,369	1,249	2,369	2,369	2,369	2,369	2,369
Total current assets.....	33,455	12,950	17,827	19,223	19,223	18,530	17,344
NON-CURRENT ASSETS							
Holding account receivables.....	13,277	21,276	21,276	30,241	38,786	48,641	60,096
Property, plant and equipment.....	82,123	136,827	108,437	115,228	115,122	110,585	106,048
Intangibles	23,059	-	21,489	19,919	18,349	16,779	15,209
Restricted cash.....	2,718	2,116	2,904	3,375	4,301	4,918	6,104
Other.....	7,953	7,382	12,261	11,234	7,714	5,316	1,318
Total non-current assets	129,130	167,601	166,367	179,997	184,272	186,239	188,775
TOTAL ASSETS.....	162,585	180,551	184,194	199,220	203,495	204,769	206,119
CURRENT LIABILITIES							
Employee provisions	26,330	26,066	27,154	27,978	28,802	29,627	30,452
Payables.....	4,447	3,513	4,447	4,447	4,447	4,447	4,447
Other.....	4,288	5,271	5,137	5,862	5,977	6,890	8,613
Total current liabilities	35,065	34,850	36,738	38,287	39,226	40,964	43,512
NON-CURRENT LIABILITIES							
Employee provisions	8,025	8,424	8,550	9,075	9,600	10,125	10,650
Other.....	124	-	124	124	124	124	124
Total non-current liabilities	8,149	8,424	8,674	9,199	9,724	10,249	10,774
TOTAL LIABILITIES	43,214	43,274	45,412	47,486	48,950	51,213	54,286
EQUITY							
Contributed equity.....	62,247	88,693	85,870	97,680	99,680	99,680	99,680
Accumulated surplus/(deficit)	(8,065)	(17,677)	(12,277)	(11,135)	(10,324)	(11,313)	(13,036)
Reserves	65,189	66,261	65,189	65,189	65,189	65,189	65,189
Total equity.....	119,371	137,277	138,782	151,734	154,545	153,556	151,833
TOTAL LIABILITIES AND EQUITY	162,585	180,551	184,194	199,220	203,495	204,769	206,119

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	340,897	386,286	387,765	431,440	439,496	454,757	468,661
Capital appropriation	29,014	23,623	23,623	11,810	2,000	-	-
Holding account drawdowns	4,032	-	-	-	3,000	1,600	-
Royalties for regions fund ^(b)	-	2,778	2,778	6,461	9,343	9,343	10,201
Administered appropriations	14,200	-	-	-	-	-	-
Net cash provided by State Government	388,143	412,687	414,166	449,711	453,839	465,700	478,862
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(175,118)	(196,930)	(198,852)	(220,345)	(233,109)	(242,174)	(249,627)
Grants and subsidies	(60,867)	(63,664)	(62,597)	(67,687)	(64,400)	(63,989)	(65,654)
Supplies and services	(117,600)	(143,797)	(147,896)	(159,485)	(160,760)	(168,108)	(172,910)
Accommodation	(8,186)	(7,763)	(8,413)	(8,413)	(8,408)	(8,768)	(9,707)
Other payments	(40,548)	(38,001)	(41,941)	(39,517)	(40,427)	(41,549)	(42,056)
Receipts							
Grants and subsidies	30,862	37,472	37,507	35,288	34,864	35,596	36,346
Sale of goods and services	3,516	3,669	3,698	3,585	3,585	3,585	3,585
GST receipts	18,786	17,833	21,773	19,160	19,342	19,831	19,741
Other receipts	3,291	1,921	2,815	1,380	1,400	1,400	1,420
Net cash from operating activities	(345,864)	(389,260)	(393,906)	(436,034)	(447,913)	(464,176)	(478,862)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(27,408)	(23,623)	(35,702)	(11,810)	(5,000)	(1,600)	-
Net cash from investing activities	(27,408)	(23,623)	(35,702)	(11,810)	(5,000)	(1,600)	-
CASHFLOWS FROM FINANCING ACTIVITIES							
Net cash from financing activities	-	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	14,871	(196)	(15,442)	1,867	926	(76)	-
Cash assets at the beginning of the reporting period	16,691	11,246	31,562	16,120	17,987	18,913	18,837
Cash assets at the end of the reporting period	31,562	11,050	16,120	17,987	18,913	18,837	18,837

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

(b) Regional Community Services Fund - \$0 (2009-10), \$2.8 million (2010-11 Budget), \$2.8 million (2010-11 Estimated Actual), \$6.5 million (2011-12), \$9.3 million (2012-13), \$9.3 million (2013-14), \$10.2 million (2014-15).

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:

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Departmental Services.....	7,008	7,990	8,913	4,964	4,984	4,984	5,004
East Kimberley Family and Domestic Violence Hub.....	2,000	2,000	2,000	1,000	-	-	-
GST Input Credits	467	482	652	487	489	489	491
GST Receipts on Sales	18,319	17,351	21,121	18,673	18,853	19,342	19,250
National Affordable Housing Agreement Homelessness	19,244	19,689	19,689	20,221	20,786	21,218	21,664
National Partnership Agreement - Homelessness.....	9,169	13,113	13,113	13,752	13,752	14,041	14,336
Provision of Services to the Commonwealth in respect of the Indian Ocean Territories.....	218	265	265	276	287	298	307
Unattached Refugee Children	30	5	40	40	40	40	40
TOTAL.....	56,455	60,895	65,793	59,413	59,191	60,412	61,092

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

COMMUNITIES

PART 14 - MINISTER FOR CHILD PROTECTION; COMMUNITY SERVICES; SENIORS AND VOLUNTEERING; WOMEN'S INTERESTS; YOUTH

DIVISION 60

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 92 Net amount appropriated to deliver services	71,333	153,442	152,581	97,429	91,408	93,092	95,762
Item 93 Contribution to the Western Australian Family Foundation Trust Account.....	385	376	376	376	376	376	376
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975.....	262	276	243	299	309	321	332
Total appropriations provided to deliver services	71,980	154,094	153,200	98,104	92,093	93,789	96,470
CAPITAL							
Item 153 Capital Appropriation.....	-	-	-	1,690	-	-	-
TOTAL APPROPRIATIONS	71,980	154,094	153,200	99,794	92,093	93,789	96,470
EXPENSES							
Total Cost of Services	67,034	158,129	159,080	108,199	96,242	98,267	99,859
Net Cost of Services ^(a)	65,991	156,676	157,387	106,689	94,645	97,013	98,898
CASH ASSETS ^(b)	17,388	7,487	16,096	10,403	10,566	9,918	10,148

(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 SPENDING CHANGES

Details of major decisions impacting on the agency's Income Statement since publication of the 2010-11 Budget to Parliament on 20 May 2010 are outlined below.

	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Royalties for Regions – Continuation of Occasional Childcare Services	268	276	143	-	-
Seniors Card Eligibility	-	-	149	1,359	2,839
Seniors Cost of Living Rebate.....	-	9,058	9,681	10,319	10,861
Upgrades to Child Care, Family and Neighbourhood Centres	-	1,360	-	-	-

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
Results-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	Communities are strengthened so that individuals and families are able to better meet their needs.	1. Child and Family Services 2. Strategic Policy and Coordination 3. Redress WA Scheme

Service Summary

Expense	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
1. Child and Family Services	32,430	36,921	35,097	39,907	37,664	35,607	36,431
2. Strategic Policy and Coordination	18,214	44,675	46,193	56,644	58,578	62,660	63,428
3. Redress WA Scheme	16,390	76,533	77,790	11,648	-	-	-
Total Cost of Services.....	67,034	158,129	159,080	108,199	96,242	98,267	99,859

Significant Issues Impacting the Agency

- As part of government-wide reforms proposed through the Economic Audit Committee recommendations, the Department will continue to build its partnerships and support for not-for-profit organisations and implement longer-term service agreements, streamline reporting and information requirements, and develop outcome-based deliverables.
- Research confirms the critical importance of early childhood experiences in lifelong outcomes. The Department will maintain its focus on linking parents to high quality licensed childcare to provide important support to parents and developmental opportunities for children across the State. In preparation for the implementation of the National Quality Framework for Early Childhood Education and Care on 1 January 2012, the Department will continue to progress system-wide issues such as workforce planning, legislative amendments and establishment of a new regulatory system for children's services and information and support for specific sector change.
- In response to the modern parenting challenges faced by many Western Australian families, including teenage parenthood and grandparents raising grandchildren, the Department will develop collaborative and more integrated strategies across the government and community sectors to better assist families, through the Parenting WA service.
- To help ensure young people are healthy, safe, and connected with their communities, the Department will be collaborating closely with key government and community partners to develop a youth mentoring strategic framework to support more coordinated, effective and high quality mentoring programs for youth.

- As the population ages and community interest in supporting people to remain living within their community and family increases, the number of people identified as family carers, currently one in eight people in Western Australia, will also grow. The Department will continue to support the Carers Advisory Council as it encourages increased recognition of the role of carers amongst service providers and the broader community.
- As the proportion of aged people in the population increases, there is a greater priority for governments and local communities to provide for the needs of seniors in the community. The Department recognises the challenges facing seniors including health, safety, inclusion and the rising cost of living. In 2011-12, the Department will assist seniors to meet their needs through the expansion of the Western Australian Seniors Card and an increase in the Seniors Cost of Living Rebate from \$104.80 to \$150.00 for singles and from \$157.22 to \$225.00 for couples. It is estimated that in 2011-12, in excess of 259,300 seniors will receive the rebate at a total cost of \$33.4 million.
- Recognising the critical social, economic, environmental and cultural contribution volunteers make in the community, the Department will continue to support volunteering through the Vital Volunteering Strategy.
- Women play a vital role in building strong and vibrant communities yet they continue to remain under-represented in many areas of leadership and decision-making. The Department will continue to work to influence policy development and support initiatives which promote economic independence for women and increase the involvement and recognition of women as decision makers and leaders.
- The Redress WA Scheme, which has provided recognition and support to those who were abused as children in the care of the State, will be finalised with all payments being made to eligible applicants.

Outcomes and Key Effectiveness Indicators ^(a)

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Outcome: Communities are strengthened so that individuals and families are able to better meet their needs:					
Extent to which customers report their needs are met.	96%	95%	90%	90%	
Extent to which stakeholders report that policies/projects have an impact on strengthening the community	95%	85%	90%	90%	

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

Services and Key Efficiency Indicators

1: Child and Family Services ^(a)

Services and programs to support and enhance families and communities.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service	\$'000 32,430	\$'000 36,921	\$'000 35,097	\$'000 39,907	
Less Income	479	1,150	971	784	
Net Cost of Service	31,951	35,771	34,126	39,123	
Employees (Full Time Equivalents)	137	138	138	139	
Efficiency Indicators					
Average Cost per Child and Family Service	\$122,015	\$132,127	\$125,943	\$142,220	1
Average Cost per Licensed Child Care Service	\$6,735	\$6,384	\$7,086	\$7,085	

(a) A revised service structure together with effectiveness and efficiency indicators have been adopted to better report on the Department's performance. Data for 2009-10 and 2010-11 have been recast to reflect the new structure.

Explanation of Significant Movements

(Notes)

1. The 2011-12 Budget Target average cost is greater than the 2010-11 Estimated Actual due to expenditure associated with the maintenance of community facilities and additional indexation funding.

2: Strategic Policy and Coordination ^(a)

The provision of policy coordination, programs, policy advice, analysis and information to support and strengthen the Western Australian community.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service	\$'000 18,214	\$'000 44,675	\$'000 46,193	\$'000 56,644	1
Less Income	564	303	722	726	
Net Cost of Service	17,650	44,372	45,471	55,918	
Employees (Full Time Equivalents)	54	61	61	63	
Efficiency Indicators					
Average Cost per Strategic Policy/Coordination Project for Children and Families	\$45,796	\$32,048	\$66,845	\$55,339	2
Average Cost per Strategic Policy/Coordination Project for Youth	\$86,353	\$194,062	\$144,666	\$165,897	3
Average Cost per Strategic Policy/Coordination Project for Seniors	\$48,635	\$66,462	\$70,843	\$76,092	
Average Cost per Strategic Policy/Coordination Project for Carers	\$110,262	\$124,234	\$124,457	\$134,970	
Average Cost to Administer a Seniors Card	\$3.49	\$2.57	\$2.35	\$4.20	4
Average Cost to Administer each Seniors Cost of Living Rebate Processed	\$75.86	\$5.46	\$6.05	\$5.00	5
Average Cost per Strategic Policy/Coordination Project for Volunteers	\$57,984	\$52,568	\$57,456	\$63,098	
Average Cost per Strategic Policy/Coordination Project for Women	\$57,667	\$46,713	\$63,700	\$66,814	

(a) A revised service structure together with effectiveness and efficiency indicators have been adopted to better report on the Department's performance. Data for 2009-10 and 2010-11 have been recast to reflect the new structure.

Explanation of Significant Movements

(Notes)

1. The 2011-12 Budget Target cost is greater than the 2010-11 Estimated Actual mainly due to increased Seniors Cost of Living Rebates payable to singles and couples and grants payable under the Social Innovation Grants program.
2. The 2011-12 Budget Target average cost is less than the 2010-11 Estimated Actual due to the finalisation of Stage 1 of the Multilateral Implementation Plan for the National Agenda on Child Care.
3. The 2011-12 Budget Target average cost is higher than the 2010-11 Estimated Actual due to a number of National Youth projects being consolidated into one project in 2010-11.
4. The 2011-12 Budget Target average cost is greater than the 2010-11 Estimated Actual due to the production of the biennial Western Australian Seniors Card Discount Directory in 2011-12.
5. The 2011-12 Budget Target average cost is less than the 2010-11 Estimated Actual due to a forecast increase in seniors taking up the Seniors Cost of Living rebate resulting in a unit cost decrease.

3: Redress WA Scheme

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 16,390	\$'000 76,533	\$'000 77,790	\$'000 11,648	
Less Income.....	-	-	-	-	
Net Cost of Service	16,390	76,533	77,790	11,648	
Employees (Full Time Equivalents)	38	39	39	20	
Efficiency Indicators					
Average Administrative Cost per Claim	\$1,177	\$1,350	\$1,350	\$162	1

Explanation of Significant Movements

(Notes)

1. The 2011-12 Budget Target average cost is less than the 2010-11 Estimated Actual due to the expected completion of the Redress WA Scheme during 2011-12 and the subsequent reduced administration costs.

ASSET INVESTMENT PROGRAM

The Department has responsibility for 70 childcare, family and neighbourhood centres, which are on average over 20 years old. The asset investment program provides for the replacement and expansion of assets that support the delivery of the Department's services.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
NEW WORKS							
Child Care and Family Centres - Refurbishment - 2011-12 ...	1,040	-	-	1,040	-	-	-
Community Centres/Houses - Refurbishment - 2011-12.....	650	-	-	650	-	-	-
Total Cost of Asset Investment Program.....	1,690	-	-	1,690	-	-	-
FUNDED BY							
Capital Appropriation.....			-	1,690	-	-	-
Total Funding			-	1,690	-	-	-

FINANCIAL STATEMENTS**Income Statement***Expenses*

The reduction in 2011-12 Budget Estimate Total Cost of Services by \$50.9 million or 32% compared to the 2010-11 Estimated Actual is mainly attributable to a decrease in grants and subsidies associated with the Redress WA Scheme of \$59.1 million. This is partially offset by an increase in grants and subsidies associated with the increase in the Seniors Cost of Living Rebate of \$9.1 million.

Income

The reduction in 2011-12 Budget Estimate Total Income from the State Government of \$55.1 million or 36% compared to the 2010-11 Estimated Actual is mainly attributable to a decrease in service appropriation associated with the Redress WA Scheme of \$54.3 million.

Statement of Financial Position

The reduction in Total Current Assets by \$5.7 million or 35% compared to the 2010-11 Estimated Actual is mainly attributable to the application in 2010-11 of \$5.0 million in carry-over funds to meet expenditures associated with the Redress WA Scheme.

INCOME STATEMENT ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	20,233	19,281	19,895	18,047	18,224	19,007	18,425
Grants and subsidies ^(c)	16,618	98,002	101,869	53,693	44,667	44,244	45,509
Supplies and services	23,477	33,491	32,021	30,825	30,522	32,236	33,269
Accommodation	1,117	1,699	1,699	2,580	1,229	1,283	1,159
Depreciation and amortisation	2,370	2,513	2,513	2,153	708	578	578
Other expenses	3,219	1,083	1,083	901	892	919	919
TOTAL COST OF SERVICES	67,034	156,069	159,080	108,199	96,242	98,267	99,859
Income							
Sale of goods and services	68	11	11	130	264	407	347
Grants and subsidies	395	666	485	328	337	346	356
Other revenue	580	776	1,197	1,052	996	501	258
Total Income	1,043	1,453	1,693	1,510	1,597	1,254	961
NET COST OF SERVICES	65,991	154,616	157,387	106,689	94,645	97,013	98,898
INCOME FROM STATE GOVERNMENT							
Service appropriations	71,980	152,034	153,200	98,104	92,093	93,789	96,470
Resources received free of charge	2,304	2,562	2,562	2,562	2,562	2,562	2,562
Royalties for Regions fund ^(d)	-	-	268	276	143	-	-
TOTAL INCOME FROM STATE GOVERNMENT	74,284	154,596	156,030	100,942	94,798	96,351	99,032
SURPLUS/(DEFICIENCY) FOR THE PERIOD	8,293	(20)	(1,357)	(5,747)	153	(662)	134
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	8,293	(20)	(1,357)	(5,747)	153	(662)	134

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

(b) The Full Time Equivalents (FTEs) for 2009-10 Actual, 2010-11 Estimated Actual and 2011-12 Estimates are 229, 238 and 222 respectively. In some cases the figures for 2009-10 and 2010-11 may differ from previously published figures due to changes in calculation methodology.

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

(d) Regional Community Services Fund - \$0 (2009-10), \$0 (2010-11 Budget), \$0.3 million (2010-11 Estimated Actual), \$0.3 million (2011-12), \$0.1 million (2012-13), \$0 (2013-14), \$0 (2014-15).

Details of Controlled Grants and Subsidies

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
FoodbankWA 2030 Project	-	1,000	1,000	2,000	3,000	-	-
Leeuwin Ocean Adventure	500	-	-	-	-	-	-
Other	1,034	225	228	278	288	288	288
Redress WA Scheme	9,427	68,538	69,795	10,688	-	-	-
Seniors Cost of Living Rebates	1,475	24,908	24,615	33,437	35,798	38,375	39,640
Seniors Security Rebates	802	2,500	2,500	1,559	-	-	-
Social Innovation Grants	-	-	2,000	4,000	4,000	4,000	4,000
WA Family Foundation	252	376	376	376	376	376	376
Youth Grants and Disbursements	3,128	455	1,355	1,355	1,205	1,205	1,205
TOTAL	16,618	98,002	101,869	53,693	44,667	44,244	45,509

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	16,772	6,878	15,422	9,673	9,786	9,075	9,143
Restricted cash.....	276	262	276	276	276	276	276
Receivables	598	2,586	598	598	598	598	598
Other.....	55	62	55	55	55	55	55
Total current assets.....	17,701	9,788	16,351	10,602	10,715	10,004	10,072
NON-CURRENT ASSETS							
Holding account receivables.....	10,539	13,202	13,202	15,505	16,363	17,091	17,819
Property, plant and equipment.....	31,879	32,158	31,349	32,504	31,924	31,346	30,768
Intangibles	902	388	515	128	-	-	-
Restricted cash.....	340	347	398	454	504	567	729
Other.....	2,827	1,215	1,231	-	-	-	-
Total non-current assets	46,487	47,310	46,695	48,591	48,791	49,004	49,316
TOTAL ASSETS.....	64,188	57,098	63,046	59,193	59,506	59,008	59,388
CURRENT LIABILITIES							
Employee provisions	3,245	3,155	3,295	3,342	3,390	3,440	3,490
Payables.....	950	676	948	952	954	954	954
Other.....	582	631	652	706	717	731	827
Total current liabilities	4,777	4,462	4,895	5,000	5,061	5,125	5,271
NON-CURRENT LIABILITIES							
Employee provisions	860	1,019	957	1,056	1,155	1,255	1,355
Other.....	13	-	13	13	13	13	13
Total non-current liabilities	873	1,019	970	1,069	1,168	1,268	1,368
TOTAL LIABILITIES	5,650	5,481	5,865	6,069	6,229	6,393	6,639
EQUITY							
Contributed equity.....	34,397	33,997	34,397	36,087	36,087	36,087	36,087
Accumulated surplus/(deficit)	14,311	6,688	12,954	7,207	7,360	6,698	6,832
Reserves	9,830	10,932	9,830	9,830	9,830	9,830	9,830
Total equity.....	58,538	51,617	57,181	53,124	53,277	52,615	52,749
TOTAL LIABILITIES AND EQUITY	64,188	57,098	63,046	59,193	59,506	59,008	59,388

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	69,318	149,371	150,537	95,801	91,235	93,061	95,742
Capital appropriation.....	-	-	-	1,690	-	-	-
Royalties for regions fund ^(b)	-	-	268	276	143	-	-
Net cash provided by State Government.....	69,318	149,371	150,805	97,767	91,378	93,061	95,742
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(20,106)	(19,065)	(19,679)	(17,809)	(17,929)	(18,698)	(18,034)
Grants and subsidies.....	(16,635)	(98,002)	(101,869)	(53,693)	(44,667)	(44,244)	(45,509)
Supplies and services.....	(20,478)	(29,213)	(27,743)	(26,774)	(26,796)	(28,477)	(29,510)
Accommodation.....	(1,119)	(1,699)	(1,699)	(2,603)	(1,255)	(1,307)	(1,183)
Other payments.....	(5,604)	(4,763)	(6,284)	(5,860)	(5,623)	(5,494)	(5,479)
Receipts							
Grants and subsidies.....	395	666	485	328	337	346	356
Sale of goods and services.....	68	11	11	130	264	407	347
GST receipts.....	3,179	1,963	3,484	3,459	3,458	3,257	3,242
Other receipts.....	1,687	776	1,197	1,052	996	501	258
Net cash from operating activities.....	(58,613)	(149,326)	(152,097)	(101,770)	(91,215)	(93,709)	(95,512)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(8)	-	-	(1,690)	-	-	-
Net cash from investing activities.....	(8)	-	-	(1,690)	-	-	-
CASHFLOWS FROM FINANCING ACTIVITIES							
Net cash from financing activities.....	-	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD.....	10,697	45	(1,292)	(5,693)	163	(648)	230
Cash assets at the beginning of the reporting period.....	6,691	7,442	17,388	16,096	10,403	10,566	9,918
Cash assets at the end of the reporting period.....	17,388	7,487	16,096	10,403	10,566	9,918	10,148

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

(b) Regional Community Services Fund - \$0 (2009-10), \$0 (2010-11 Budget), \$0.3 million (2010-11 Estimated Actual), \$0.3 million (2011-12), \$0.1 million (2012-13), \$0 (2013-14), \$0 (2014-15).

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

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement.....	67,034	156,069	159,080	108,199	96,242	98,267	99,859
<i>Transfer of the Social Innovations Grants Program.....</i>	-	2,060	-	-	-	-	-
Adjusted Total Cost of Services.....	67,034	158,129	159,080	108,199	96,242	98,267	99,859
APPROPRIATIONS							
Net Amount Appropriated to Deliver Services....	71,980	152,034	153,200	98,104	92,093	93,789	96,470
<i>Transfer of the Social Innovations Grants Program.....</i>	-	2,060	-	-	-	-	-
Adjusted Net Amount Appropriated to Deliver Services	71,980	154,094	153,200	98,104	92,093	93,789	96,470

AGENCY SPECIAL PURPOSE ACCOUNT DETAILS

Western Australian Family Foundation Special Purpose Account

The purpose of the Account is to hold funds for development, implementation and administration initiatives and activities regarding the family and community.

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000
Opening Balance	121	121	232	-
Receipts:				
Appropriations	385	376	376	376
Other	186	-	-	-
	692	497	608	376
Payments	460	376	608	376
CLOSING BALANCE.....	232	121	-	-

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:

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Child Care Licenses	10	11	11	70	264	347	347
Children's Services	246	382	166	-	-	-	-
Christmas/Cocos Island	149	257	279	288	297	306	316
Departmental Services	1,090	706	1,137	1,052	996	561	258
GST Input Credits	321	16	121	118	126	91	61
GST Receipts on Sales	2,858	1,947	3,363	3,341	3,332	3,166	3,181
Leeuwin Ocean Adventure	655	70	60	60	-	-	-
National Youth Week	-	27	40	40	40	40	40
TOTAL	5,329	3,416	5,177	4,969	5,055	4,511	4,203

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

Part 15

Minister for Local Government; Heritage; Citizenship and Multicultural Interests

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2010-11 Budget \$' 000	2010-11 Estimated Actual \$' 000	2011-12 Budget Estimate \$' 000
743	Local Government			
	- Delivery of Services.....	21,533	20,660	20,991
	- Administered Grants, Subsidies and Other Transfer Payments.....	250	250	-
	Total	21,783	20,910	20,991
753	Heritage Council of Western Australia			
	- Delivery of Services.....	5,474	5,474	5,731
	- Capital Appropriation.....	-	-	990
	Total	5,474	5,474	6,721
760	National Trust of Australia (WA)			
	- Delivery of Services.....	2,521	2,521	2,620
	- Capital Appropriation.....	435	1,395	435
	Total	2,956	3,916	3,055
GRAND TOTAL				
	- Delivery of Services.....	29,528	28,655	29,342
	- Administered Grants, Subsidies and Other Transfer Payments.....	250	250	-
	- Capital Appropriation.....	435	1,395	1,425
	Total.....	30,213	30,300	30,767

LOCAL GOVERNMENT

PART 15 - MINISTER FOR LOCAL GOVERNMENT; HERITAGE; CITIZENSHIP AND MULTICULTURAL INTERESTS

DIVISION 61

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 94 Net amount appropriated to deliver services	16,586	21,290	20,416	20,727	18,071	16,947	17,378
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975.....	224	243	244	264	273	282	291
Total appropriations provided to deliver services	16,810	21,533	20,660	20,991	18,344	17,229	17,669
ADMINISTERED TRANSACTIONS							
Amount provided for Administered Grants, Subsidies and Other Transfer Payments	250	250	250	-	-	-	-
TOTAL APPROPRIATIONS	17,060	21,783	20,910	20,991	18,344	17,229	17,669
EXPENSES							
Total Cost of Services	24,758	28,325	29,263	28,187	24,803	19,803	20,243
Net Cost of Services ^(a)	24,352	28,120	27,706	26,983	24,598	19,598	20,038
CASH ASSETS ^(b)	44,761	7,292	16,677	16,744	16,814	16,883	16,952

(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 SPENDING CHANGES

Details of major decisions impacting on the agency's Income Statement since publication of the 2010-11 Budget to Parliament on 20 May 2010 are outlined below.

	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Celebrate WA.....	-	350	350	350	350
Grants to Enhance Multiculturalism Outcomes.....	-	100	100	100	100
Local Government Reform.....	-	1,500	1,500	-	-
National Partnership to Support Local Government Reform.....	1,352	999	-	-	-
Royalties for Regions - Local Government Reform -Voluntary Amalgamations	-	3,625	3,885	-	-

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
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.	To build the capability of the local government sector to deliver economic and social services to communities.	1. Build the Strategic Capability of the Local Government Sector 2. Strengthen Good Governance in the Local Government Sector and Provide Effective Regulation
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.	A Western Australian public sector which recognises that Western Australians play a significant role in setting policies that shape their society.	3. Promotion and Support of Multiculturalism in Western Australia

Service Summary

Expense	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
1. Build the Strategic Capability of the Local Government Sector	13,373	17,222	18,139	16,800	12,970	7,659	7,794
2. Strengthen Good Governance in the Local Government Sector and Provide Effective Regulation	6,187	5,895	6,006	6,236	6,556	6,810	6,999
3. Promotion and Support of Multiculturalism in Western Australia	5,198	5,208	5,118	5,151	5,277	5,334	5,450
Total Cost of Services.....	24,758	28,325	29,263	28,187	24,803	19,803	20,243

Significant Issues Impacting the Agency

- Local government in Western Australia is constrained by historical boundaries and structures, and fragmented and duplicated systems. Changing demographics has resulted in more than 30 local governments consistently losing population as more people move to metropolitan and regional centres. This results in inefficiencies and lost opportunities for communities, government and business.
- The State Government's Local Government Reform Strategy is aimed at creating fewer, stronger, regionally-focused local governments with the capacity to operate at best practice levels and deliver optimal services to communities throughout Western Australia. Capacity building initiatives are central to the Reform Strategy and are designed to

complement structural reform. These initiatives will broadly result from enhanced economies of scale enabling local governments to deliver cost effective community services without the need to constantly drive up local government rates.

- The State will be investing \$1.5 million over each of the next two years to assist with structural reform within the Perth metropolitan area. The funds will assist with research, community engagement and related activities that will assist with the objective of achieving meaningful structural reform within the metropolitan area.
- Regional local governments that have voluntarily elected to participate in the State Government's local government reform strategy have been allocated \$7.5 million in Royalties for Regions funding as part of this year's State Budget, including \$3.6 million in the coming year.
- The Reform Strategy has identified critical staff and other capacity gaps in the sector, which are impacting on the ability of local governments to provide good governance in accordance with their obligations under the *Local Government Act 1995*. Critical capacity gaps have been identified in the areas of long term strategic planning, community engagement and asset and financial management. The Integrated Planning and Reporting Framework is a long-term strategic initiative which is aimed at addressing these capacity gaps in line with national frameworks.
- Western Australia is the most culturally diverse of all Australian states with more than 27% of Western Australians born overseas. Cultural and linguistic diversity contributes significantly to the State's economic growth, cultural networks and social capital.
- The Government's multicultural strategic plan advocates equity, participation and promotion as its key objectives for multiculturalism within Western Australia.

Outcomes and Key Effectiveness Indicators ^(a)

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Outcome: To build the capability of the local government sector to deliver economic and social services to communities:					
Improvement in local government capability in fulfilling their responsibilities to communities	n/a	65	65	65	1
Stakeholder satisfaction rating with the services provided by the Department to build capability in local government	n/a	80%	80%	80%	
Outcome: A Western Australian public sector which recognises that Western Australians play a significant role in setting policies that shape their society:					
Extent to which the principles of multiculturalism are accepted and practised in Western Australia	88%	65%	70%	70%	
Extend to which policies and practices of public sector agencies reflect the principles of multiculturalism	71%	75%	70%	70%	

(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 Department will report on ongoing improvement in local government capability through its Capability Index. The Index is an aggregated measure of achievement by local governments in strategic community planning, asset management, workforce planning and long-term financial planning. These are the key elements of the Integrated Planning and Reporting Framework which is being implemented and will require full compliance by 30 June 2013. The Index will report progress up to that date, and ongoing improvement thereafter. It will also guide further policy and improvement initiatives.

Services and Key Efficiency Indicators

1: Build the Strategic Capability of the Local Government Sector

Leading the local government public policy reform agenda to improve capability in the sector.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	13,373	17,222	18,139	16,800	
Less Income	3	3	1,355	1,002	
Net Cost of Service	13,370	17,219	16,784	15,798	
Employees (Full Time Equivalents)	33	40	44	40	
Efficiency Indicators					
Average Cost of Advice and Support to Develop Local Government Capability	\$41,255	\$42,741	\$45,562	\$54,106	1

Explanation of Significant Movements

(Notes)

- The increase in average cost from 2010-11 to 2011-12 is attributable to an increase in funding associated with Local Government Reform, net of grants.

2: Strengthen Good Governance in the Local Government Sector and Provide Effective Regulation

Supporting the local government sector to fulfil their statutory obligations.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	6,187	5,895	6,006	6,236	
Less Income	267	200	200	200	
Net Cost of Service	5,920	5,695	5,806	6,036	
Employees (Full Time Equivalents)	59	54	54	50	
Efficiency Indicators					
Cost of Support Services per Local Government	\$27,696	\$24,282	\$25,042	\$23,934	
Average Cost per Inquiry and Investigation	\$1,743	\$1,846	\$2,743	\$2,485	
Average Cost of Monitoring per Local Government	\$13,269	\$13,882	\$13,824	\$15,921	1

Explanation of Significant Movements

(Notes)

- Estimated expenses in 2010-11 are lower than the 2011-12 Budget Target for calculating the cost of monitoring.

3: Promotion and Support of Multiculturalism in Western Australia

Promote the key objectives of the State's Multicultural Strategic Plan to public sector agencies and the community. Develop and influence policies that reflect the principles of multiculturalism.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	5,198	5,208	5,118	5,151	
Less Income	136	2	2	2	
Net Cost of Service	5,062	5,206	5,116	5,149	
Employees (Full Time Equivalents)	23	33	30	30	
Efficiency Indicators					
Average Cost per Policy Project/Initiative for Multiculturalism	\$50,178	\$45,672	\$53,211	\$56,588	

ASSET INVESTMENT PROGRAM

To support the delivery of the Department's services, a total of \$103,000 will be spent on asset investment in 2011-12 for the replacement program of computers and office equipment.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COMPLETED WORKS							
Computer and Office Equipment Replacement - 2010-11 Program	103	103	103	-	-	-	-
NEW WORKS							
Computer and Office Equipment Replacement - 2011-12 Program	103	-	-	103	-	-	-
2012-13 Program	103	-	-	-	103	-	-
2013-14 Program	103	-	-	-	-	103	-
2014-15 Program	103	-	-	-	-	-	103
Total Cost of Asset Investment Program	515	103	103	103	103	103	103
FUNDED BY							
Drawdowns from the Holding Account			103	103	103	103	103
Total Funding			103	103	103	103	103

FINANCIAL STATEMENTS

Income Statement

Expenses

The Income Statement shows an estimated decrease in the 2011-12 Total Cost of Services of \$1.2 million, when compared to the 2010-11 Estimated Actual. The variance is mainly attributable to a decrease in expenditure associated with the State's Local Government Reform Program.

Income

Total Income shows an estimated increase in the 2010-11 Estimated Actual of \$1.4 million, when compared to the 2010-11 Budget. This increase is mainly attributable to Commonwealth funding provided for Local Government Reform.

Statement of Cashflows

The 2011-12 Budget Estimate for Net Cash from Operating Activities figure has decreased from the 2010-11 Estimated Actual by \$4.7 million. This is mainly attributable to accrued payments associated with the Royalties for Regions Country Local Government Fund.

INCOME STATEMENT ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	10,975	9,065	11,331	10,853	11,124	11,368	11,591
Grants and subsidies ^(c)	8,734	12,066	12,773	10,668	7,385	3,402	3,404
Supplies and services	2,506	4,774	3,010	4,429	4,047	2,774	2,977
Accommodation	1,843	1,331	1,860	1,948	1,958	1,970	1,982
Depreciation and amortisation	72	60	60	60	60	60	60
Other expenses	628	1,029	229	229	229	229	229
TOTAL COST OF SERVICES	24,758	28,325	29,263	28,187	24,803	19,803	20,243
Income							
Sale of goods and services	9	197	197	197	197	197	197
Grants and subsidies	335	-	1,352	999	-	-	-
Other revenue	62	8	8	8	8	8	8
Total Income	406	205	1,557	1,204	205	205	205
NET COST OF SERVICES	24,352	28,120	27,706	26,983	24,598	19,598	20,038
INCOME FROM STATE GOVERNMENT							
Service appropriations	16,810	21,533	20,660	20,991	18,344	17,229	17,669
Resources received free of charge	327	48	48	48	48	48	48
Royalties for regions fund ^(d)	6,175	4,890	4,890	6,015	6,275	2,390	2,390
TOTAL INCOME FROM STATE GOVERNMENT	23,312	26,471	25,598	27,054	24,667	19,667	20,107
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(1,040)	(1,649)	(2,108)	71	69	69	69
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	(1,040)	(1,649)	(2,108)	71	69	69	69

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

(b) The Full Time Equivalents (FTEs) for 2009-10 Actual, 2010-11 Estimated Actual and 2011-12 Estimates are 115, 128 and 120 respectively. In some cases the figures for 2009-10 and 2010-11 may differ from previously published figures due to changes in calculation methodology.

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

(d) Country Local Government Fund - \$5.0 million (2009-10), \$4.9 million (2010-11), \$4.9 million (2010-11 Estimated Out Turn), \$6.0 million (2011-12), \$6.3 million (2012-13), \$2.4 million (2013-14), \$2.4 million (2014-15), Regional and State-wide Initiatives - \$1.2 million (2009-10).

Details of Controlled Grants and Subsidies

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Financial Support to Local Governments	3,074	5,479	6,096	3,683	138	38	38
Office of Multicultural Interests	1,055	848	938	1,360	1,362	1,364	1,366
Royalties for Regions - Country Local Government Fund	4,605	5,739	5,739	5,625	5,885	2,000	2,000
TOTAL	8,734	12,066	12,773	10,668	7,385	3,402	3,404

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	16,665	7,006	16,269	16,336	16,406	16,475	16,544
Restricted cash.....	27,953	154	265	265	265	265	265
Holding account receivables.....	103	103	103	103	103	103	103
Receivables	1,660	12,907	1,660	1,660	1,660	1,660	1,660
Other.....	-	519	-	-	-	-	-
Total current assets.....	46,381	20,689	18,297	18,364	18,434	18,503	18,572
NON-CURRENT ASSETS							
Holding account receivables.....	531	489	488	445	402	359	316
Property, plant and equipment.....	75	229	125	173	222	265	308
Intangibles	30	-	30	30	30	30	30
Restricted cash.....	143	132	143	143	143	143	143
Total non-current assets	779	850	786	791	797	797	797
TOTAL ASSETS.....	47,160	21,539	19,083	19,155	19,231	19,300	19,369
CURRENT LIABILITIES							
Employee provisions	2,010	1,792	2,013	2,016	2,018	2,018	2,018
Payables.....	22,303	2,927	306	303	307	307	307
Other.....	6,204	583	2,228	2,228	2,228	2,228	2,228
Total current liabilities	30,517	5,302	4,547	4,547	4,553	4,553	4,553
NON-CURRENT LIABILITIES							
Employee provisions	379	670	380	381	382	382	382
Other.....	-	8	-	-	-	-	-
Total non-current liabilities	379	678	380	381	382	382	382
TOTAL LIABILITIES	30,896	5,980	4,927	4,928	4,935	4,935	4,935
EQUITY							
Contributed equity.....	(29,908)	(30,442)	(29,908)	(29,908)	(29,908)	(29,908)	(29,908)
Accumulated surplus/(deficit)	46,172	46,001	44,064	44,135	44,204	44,273	44,342
Total equity.....	16,264	15,559	14,156	14,227	14,296	14,365	14,434
TOTAL LIABILITIES AND EQUITY	47,160	21,539	19,083	19,155	19,231	19,300	19,369

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	16,771	21,473	20,600	20,931	18,284	17,169	17,609
Holding account drawdowns	103	103	103	103	103	103	103
Royalties for regions fund ^(b)	6,175	4,890	4,890	6,015	6,275	2,390	2,390
Net cash provided by State Government.....	23,049	26,466	25,593	27,049	24,662	19,662	20,102
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(11,780)	(9,050)	(11,316)	(10,838)	(11,105)	(11,349)	(11,572)
Grants and subsidies	(32,771)	(12,066)	(16,741)	(10,668)	(7,385)	(3,402)	(3,404)
Supplies and services.....	(2,407)	(4,626)	(2,862)	(4,278)	(3,896)	(2,624)	(2,827)
Accommodation	(1,838)	(1,329)	(1,858)	(1,946)	(1,955)	(1,967)	(1,979)
Other payments	(4,436)	(3,053)	(2,252)	(1,653)	(1,353)	(1,453)	(1,453)
Receipts							
Grants and subsidies	575	-	1,352	999	-	-	-
Sale of goods and services.....	9	197	197	197	197	197	197
GST receipts.....	15,703	1,900	1,900	1,300	1,000	1,100	1,100
Other receipts	321	8	8	8	8	8	8
Net cash from operating activities.....	(36,624)	(28,019)	(31,572)	(26,879)	(24,489)	(19,490)	(19,930)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(52)	(103)	(103)	(103)	(103)	(103)	(103)
Net cash from investing activities.....	(52)	(103)	(103)	(103)	(103)	(103)	(103)
NET INCREASE/(DECREASE) IN CASH HELD	(13,627)	(1,656)	(6,082)	67	70	69	69
Cash assets at the beginning of the reporting period	67,144	8,948	44,761	16,677	16,744	16,814	16,883
Net cash transferred to/from other agencies	(8,756)	-	(22,002)	-	-	-	-
Cash assets at the end of the reporting period	44,761	7,292	16,677	16,744	16,814	16,883	16,952

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

(b) Country Local Government Fund - \$5.0 million (2009-10), \$4.9 million (2010-11), \$4.9 million (2010-11 Estimated Out Turn), \$6.0 million (2011-12), \$6.3 million (2012-13), \$2.4 million (2013-14), \$2.4 million (2014-15), Regional and State-wide Initiatives - \$1.2 million (2009-10).

DETAILS OF ADMINISTERED TRANSACTIONS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
INCOME							
Other							
Administered Appropriations	250	250	250	-	-	-	-
TOTAL INCOME	250	250	250	-	-	-	-
EXPENSES							
Grants To Charitable And Other Public Bodies							
Royal Society for the Prevention of Cruelty to Animals	250	250	250	-	-	-	-
TOTAL EXPENSES	250	250	250	-	-	-	-

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:

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Executive Vehicle Scheme and Other Receipts.....	330	8	8	8	8	8	8
Grants and Subsidies	388	-	1,352	999	-	-	-
GST Input Credits	15,703	1,900	1,900	1,300	1,000	1,100	1,100
Indian Oceans Territories Program	187	197	197	197	197	197	197
TOTAL.....	16,608	2,105	3,457	2,504	1,205	1,305	1,305

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

METROPOLITAN CEMETERIES BOARD

ASSET INVESTMENT PROGRAM

The Board's asset investment program for 2011-12 allows for the continued development of the cemetery renewal program at Karrakatta for burial and memorial gardens.

In response to the community's need, the Pinnaroo second chapel and condolence lounge will be completed in March 2012.

A second cremator will be installed at the Pinnaroo Valley Memorial Park to meet the growing needs of the surrounding communities.

The staged upgrade of fire and security monitoring equipment will continue throughout the Board's buildings and facilities, including additional Closed Circuit Television units at the Karrakatta, Pinnaroo, Fremantle, Midland and Guildford cemeteries.

	Estimated Total Cost	Estimated Expenditure to 30-6-11	2010-11 Estimated Expenditure	2011-12 Estimated Expenditure	2012-13 Forward Estimate	2013-14 Forward Estimate	2014-15 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
WORKS IN PROGRESS							
Cemetery Renewal Program - Karrakatta.....	11,560	2,335	900	200	700	1,125	1,300
Rockingham Regional Memorial Park	2,930	160	-	500	300	320	200
Fremantle Lakes Development.....	1,400	500	500	400	400	-	-
Minor Works on Cemeteries and On-site Facilities							
Fremantle.....	6,969	2,553	954	287	437	712	200
Guildford	3,253	719	338	389	139	285	161
Karrakatta	27,233	12,324	1,151	1,976	1,386	1,755	1,021
Midland	2,887	1,434	170	89	89	130	130
Pinnaroo Valley Memorial Park	6,876	2,789	326	279	279	689	225
Rockingham Regional Memorial Park	2,026	1,410	-	28	28	90	50
Office Building	3,806	1,640	-	-	100	366	150
Pinnaroo Chapel.....	6,024	3,524	3,300	2,500	-	-	-
Pinnaroo Lake Development	2,870	800	-	500	500	50	100
Replacement of Cremators	8,506	1,598	80	500	300	808	2,800
NEW WORKS							
Regional Crematorium Pinnaroo.....	800	-	-	-	-	800	-
Rockingham Regional Memorial Park Chapel	4,000	-	-	-	-	-	4,000
Whitby Falls Cemetery Development	4,400	-	-	-	50	50	100
Whiteman Park Development	7,620	-	-	-	-	40	30
Total Cost of Asset Investment Program.....	103,160	31,786	7,719	7,648	4,708	7,220	10,467
FUNDED BY							
Asset Sales			142	150	90	90	-
Other			7,577	7,498	4,618	7,130	10,467
Total Funding			7,719	7,648	4,708	7,220	10,467

HERITAGE COUNCIL OF WESTERN AUSTRALIA

PART 15 - MINISTER FOR LOCAL GOVERNMENT; HERITAGE; CITIZENSHIP AND MULTICULTURAL INTERESTS

DIVISION 62

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 95 Net amount appropriated to deliver services	10,085	5,474	5,474	5,731	5,855	6,007	6,156
Total appropriations provided to deliver services	10,085	5,474	5,474	5,731	5,855	6,007	6,156
CAPITAL							
Item 154 Capital Appropriation.....	-	-	-	990	600	-	-
TOTAL APPROPRIATIONS	10,085	5,474	5,474	6,721	6,455	6,007	6,156
EXPENSES							
Total Cost of Services	5,349	5,580	8,580	8,109	6,023	6,189	6,338
Net Cost of Services ^(a)	5,188	5,478	8,388	7,944	5,891	6,057	6,206
CASH ASSETS ^(b)	7,300	559	3,213	1,057	1,091	1,125	1,125

(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 SPENDING CHANGES

Details of major decisions impacting on the agency's Income Statement since publication of the 2010-11 Budget to Parliament on 20 May 2010 are outlined below.

	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Goldfields Earthquake Restoration Fund	2,734	2,150	-	-	-
Information Technology Funding.....	-	316	276	276	276

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
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.	Conservation of cultural heritage places in Western Australia, for the benefit of present and future generations.	1. Cultural Heritage Conservation Services

Service Summary

Expense	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
1. Cultural Heritage Conservation Services.....	5,349	5,580	8,580	8,109	6,023	6,189	6,338
Total Cost of Services.....	5,349	5,580	8,580	8,109	6,023	6,189	6,338

Significant Issues Impacting the Agency

- Growing community awareness and engagement in heritage issues, together with rising levels of industry interest in adaptive re-use and a significant public sector works program involving listed places, increases the pressure for best practice heritage management supported by a contemporary legislative framework.
- In April 2011, the State Government launched Western Australia's first State Cultural Heritage Policy. The policy lays the foundation for the future development of a State Heritage Strategy, clarifies the objectives and focus of the Government in the area of cultural heritage and outlines that all government agencies and local authorities have a responsibility in recognising, promoting and protecting our cultural heritage. The policy includes new initiatives including a review of the *Heritage of Western Australia Act 1990*.
- Following the Goldfields earthquake of 20 April 2010, the State Government made a special allocation of \$5.0 million for heritage restoration works to Kalgoorlie-Boulder heritage buildings damaged by the earthquake. The funds are currently being distributed consistent with the Goldfields Earthquake Restoration Fund operating framework. The coincidence of the earthquake with the extensive hail damage in the metropolitan area the previous month has meant insurance claim assessments have been lengthy and delayed. Payments for funding shortfalls cannot be fully determined prior to these claims being resolved.

- The Heritage Council of Western Australia is a regulatory body balancing property development pressures while meeting its statutory obligation to identify places important to the community. The number and complexity of development referrals continue to grow. The Heritage Grants Program for private owners continues to be oversubscribed by about 8:1, with demand for financial assistance as an effective conservation incentive to continue to grow in tandem with the increase in registered places.

Outcomes and Key Effectiveness Indicators ^(a)

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Outcome: Conservation of cultural heritage places in Western Australia, for the benefit of present and future generations:					
The extent to which the Register is representative of the State's Heritage - completion index	60%	61%	67%	67%	
The extent to which registered places are conserved (not demolished)	100%	100%	100%	100%	

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

Services and Key Efficiency Indicators

1: Cultural Heritage Conservation Services

Establish and maintain a comprehensive Heritage Register; provide conservation advice on development referrals and other relevant matters; develop the role of public authorities in conserving and managing heritage places; provide financial assistance and other conservation incentives; provide publications, seminars and other promotional activities.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service	\$'000 5,349	\$'000 5,580	\$'000 8,580	\$'000 8,109	1
Less Income	161	102	192	165	
Net Cost of Service	5,188	5,478	8,388	7,944	
Employees (Full Time Equivalents)	27	30	30	30	
Efficiency Indicators					
Average Cost of Place Assessments	\$8,011	\$7,811	\$7,622	\$10,259	2
Average Cost of Maintaining Heritage Register	\$197	\$201	\$230	\$230	
Average Cost of Development Referrals	\$334	\$306	\$324	\$320	
Average Cost of Grants/Incentives Administered	\$2,181	\$2,379	\$1,641	\$1,788	

Explanation of Significant Movements

(Notes)

1. The estimated increase for 2010-11 and 2011-12 relates to the anticipated expenditure for the Goldfields Earthquake Restoration Fund.
2. The increase in the Average Cost of Place Assessments for 2011-12 is due to an estimated lower number of assessments in 2011-12, resulting in higher average costs.

ASSET INVESTMENT PROGRAM

The asset investment program in 2011-12 and 2012-13 provides for the replacement of the Heritage Council's core business system through the transfer from a Macintosh to a Windows operating environment, plus minor amounts for office equipment replacement.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
NEW WORKS							
Asset Replacement							
2011-12 Program	12	-	-	12	-	-	-
2012-13 Program	12	-	-	-	12	-	-
2013-14 Program	20	-	-	-	-	20	-
2014-15 Program	20	-	-	-	-	-	20
Heritage Business System Replacement	1,590	-	-	990	600	-	-
Total Cost of Asset Investment Program	1,654	-	-	1,002	612	20	20
FUNDED BY							
Capital Appropriation			-	990	600	-	-
Drawdowns from the Holding Account			-	12	12	20	20
Total Funding			-	1,002	612	20	20

FINANCIAL STATEMENTS

Income Statement

Expenses

Shows an estimated decrease in 2011-12 Total Cost of Services of \$0.5 million (6%) when compared to the 2010-11 Estimated Actual. The decrease is mainly attributable to the one-off grant funding in 2010-11 towards the restoration of St Mary the Virgin Church.

The estimated increase in Total Cost of Services for 2010-11 and 2011-12 relates to anticipated expenditure for the Goldfields Earthquake Restoration.

Statement of Financial Position

Shows an estimated decrease in 2011-12 Total Assets of \$1.1 million (31%) when compared to the 2010-11 Estimated Actual. The expected decrease in assets is attributable to a decrease in cash assets due to the acquittal of outstanding grants.

Statement of Cashflows

The 2011-12 closing cash asset balance of \$1.1 million represents a decrease of \$2.1 million in comparison to the 2010-11 Estimated Actual of \$3.2 million. The decrease is primarily due to the acquittal of outstanding grants.

INCOME STATEMENT ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	2,680	2,533	2,664	2,836	2,798	2,950	3,034
Grants and subsidies ^(c)	977	1,526	3,735	3,301	1,276	1,276	1,276
Supplies and services	1,441	1,288	1,687	1,445	1,419	1,436	1,501
Accommodation	126	135	108	135	135	135	135
Depreciation and amortisation	29	22	22	12	12	20	20
Other expenses	96	76	364	380	383	372	372
TOTAL COST OF SERVICES	5,349	5,580	8,580	8,109	6,023	6,189	6,338
Income							
Grants and subsidies	-	-	60	33	-	-	-
Other revenue	161	102	132	132	132	132	132
Total Income	161	102	192	165	132	132	132
NET COST OF SERVICES	5,188	5,478	8,388	7,944	5,891	6,057	6,206
INCOME FROM STATE GOVERNMENT							
Service appropriations	10,085	5,474	5,474	5,731	5,855	6,007	6,156
Resources received free of charge	27	50	50	50	50	50	50
TOTAL INCOME FROM STATE GOVERNMENT	10,112	5,524	5,524	5,781	5,905	6,057	6,206
SURPLUS/(DEFICIENCY) FOR THE PERIOD	4,924	46	(2,864)	(2,163)	14	-	-
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	4,924	46	(2,864)	(2,163)	14	-	-

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

(b) The Full Time Equivalents (FTEs) for 2009-10 Actual, 2010-11 Estimated Actual and 2011-12 Estimates are 27, 30 and 30 respectively. In some cases the figures for 2009-10 and 2010-11 may differ from previously published figures due to changes in calculation methodology.

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

Details of Controlled Grants and Subsidies

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Conservation Incentive Program	46	50	50	50	50	50	50
Cossack Townsite	120	120	120	120	120	120	120
Education/Promotion	9	11	11	11	11	11	11
Goldfields Earthquake Restoration	20	-	2,209	2,025	-	-	-
Heritage Grants Program	737	1,000	1,000	1,000	1,000	1,000	1,000
Heritage Loan Subsidy Scheme	35	35	35	35	35	35	35
Local Government and Tourism	5	60	60	60	60	60	60
Other	5	-	-	-	-	-	-
Restoration of St Mary the Virgin Church	-	250	250	-	-	-	-
TOTAL	977	1,526	3,735	3,301	1,276	1,276	1,276

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	7,300	559	3,213	1,057	1,091	1,125	1,125
Holding account receivables.....	-	12	12	12	20	20	20
Receivables	103	84	103	103	89	89	89
Other.....	-	5	-	-	-	-	-
Total current assets.....	7,403	660	3,328	1,172	1,200	1,234	1,234
NON-CURRENT ASSETS							
Holding account receivables.....	282	338	306	320	326	340	340
Property, plant and equipment.....	22	60	30	60	88	115	115
Intangibles	-	-	-	990	1,590	1,590	1,590
Total non-current assets	304	398	336	1,370	2,004	2,045	2,045
TOTAL ASSETS.....	7,707	1,058	3,664	2,542	3,204	3,279	3,279
CURRENT LIABILITIES							
Employee provisions	323	128	254	239	239	239	239
Payables.....	2,092	553	952	982	1,030	1,105	1,105
Other.....	33	36	40	47	47	47	47
Total current liabilities	2,448	717	1,246	1,268	1,316	1,391	1,391
NON-CURRENT LIABILITIES							
Employee provisions	153	135	176	205	205	205	205
Total non-current liabilities	153	135	176	205	205	205	205
TOTAL LIABILITIES	2,601	852	1,422	1,473	1,521	1,596	1,596
EQUITY							
Contributed equity.....	389	389	389	1,379	1,979	1,979	1,979
Accumulated surplus/(deficit)	4,719	(183)	1,855	(308)	(294)	(294)	(294)
Reserves	(2)	-	(2)	(2)	(2)	(2)	(2)
Total equity.....	5,106	206	2,242	1,069	1,683	1,683	1,683
TOTAL LIABILITIES AND EQUITY	7,707	1,058	3,664	2,542	3,204	3,279	3,279

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	10,031	5,438	5,438	5,705	5,829	5,973	6,122
Capital appropriation	-	-	-	990	600	-	-
Holding account drawdowns	40	-	-	12	12	20	20
Net cash provided by State Government	10,071	5,438	5,438	6,707	6,441	5,993	6,142
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(2,528)	(2,593)	(2,724)	(2,846)	(2,808)	(2,960)	(3,044)
Grants and subsidies	(1,747)	(2,656)	(4,865)	(3,301)	(1,276)	(1,276)	(1,276)
Supplies and services	(1,263)	(1,237)	(1,607)	(1,370)	(1,282)	(1,282)	(1,381)
Accommodation	(126)	(135)	(108)	(135)	(135)	(135)	(135)
Other payments	(374)	(334)	(651)	(612)	(664)	(656)	(656)
Receipts							
Grants and subsidies	-	-	60	33	-	-	-
GST receipts	280	230	230	230	230	230	230
Other receipts	164	110	140	140	140	140	140
Net cash from operating activities	(5,594)	(6,615)	(9,525)	(7,861)	(5,795)	(5,939)	(6,122)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	-	-	-	(1,002)	(612)	(20)	(20)
Net cash from investing activities	-	-	-	(1,002)	(612)	(20)	(20)
NET INCREASE/(DECREASE) IN CASH HELD	4,477	(1,177)	(4,087)	(2,156)	34	34	-
Cash assets at the beginning of the reporting period	2,823	1,736	7,300	3,213	1,057	1,091	1,125
Cash assets at the end of the reporting period	7,300	559	3,213	1,057	1,091	1,125	1,125

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

NATIONAL TRUST OF AUSTRALIA (WA)

PART 15 - MINISTER FOR LOCAL GOVERNMENT; HERITAGE; CITIZENSHIP AND MULTICULTURAL INTERESTS

DIVISION 63

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 96 Net amount appropriated to deliver services	2,461	2,521	2,521	2,620	2,696	2,772	2,835
Total appropriations provided to deliver services	2,461	2,521	2,521	2,620	2,696	2,772	2,835
CAPITAL							
Item 155 Capital Appropriation.....	435	435	1,395	435	435	435	435
TOTAL APPROPRIATIONS	2,896	2,956	3,916	3,055	3,131	3,207	3,270
EXPENSES							
Total Cost of Services	9,399	4,560	4,568	5,508	5,518	5,797	5,710
Net Cost of Services ^(a)	2,096	2,488	2,496	2,788	2,730	2,939	2,852
CASH ASSETS ^(b)	5,234	4,950	5,097	3,185	3,142	2,966	2,890

(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.

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
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.	Conservation of Western Australia's cultural and natural heritage.	1. Conservation of Built Heritage 2. Interpretation - Heritage Awareness and Education 3. Conservation of Natural Heritage

Service Summary

Expense	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
1. Conservation of Built Heritage.....	6,566	2,133	2,140	2,689	2,705	2,822	2,786
2. Interpretation - Heritage Awareness and Education	1,617	1,313	1,314	2,033	2,027	2,153	2,113
3. Conservation of Natural Heritage.....	1,216	1,114	1,114	786	786	822	811
Total Cost of Services.....	9,399	4,560	4,568	5,508	5,518	5,797	5,710

Significant Issues Impacting the Agency

- The Trust will continue its lead role at both a state and national level in the coordination of heritage education and learning programs which focus on the 'valuing of heritage' and which link to the approved national history curriculum to be introduced by 2011.
- The Trust will continue its role as a key provider of heritage and management services at government, public and private levels and in doing so, will continue to have a major impact on the promotion of conservation and interpretation of Western Australia's heritage. However, due to the increasing requests and continuing expansion of its portfolio of places, the concern with regards to costs associated with maintenance of places remains a major challenge for the Trust. In line with this concern and its Strategic Plan 2011-16, the Trust will be conducting an assessment of its portfolio of places. Furthermore, there is additional pressure for the not-for-profit sector to have more access to heritage places for their adaptive re-use.
- The Trust will maintain a focus on major heritage projects which will create significant benefit to the Western Australian community. These include Wanslea at Cottesloe, Bill Sewell Complex in Geraldton, Old Farm Strawberry Hill in Albany and Avondale Farm at Beverley. The Trust will continue to provide public investment in heritage through public tax-deductible appeals and its natural heritage conservation and stewardship program.

Outcomes and Key Effectiveness Indicators ^(a)

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Outcome: Conservation of Western Australia's cultural and natural heritage:					
Percentage of conservation work completed	3.0%	1.3%	1.3%	1.3%	
Percentage increase in attendees of formal heritage education courses.....	55.8%	-3.1%	7.8%	19.4%	1
Percentage increase in number of hectares protected by covenants.....	20.7%	5.0%	3.2%	3.0%	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 significant percentage increase in attendees in the 2009-10 Actual is due to an unexpected increase in the number of attendees at formal heritage education courses. The 2009-10 financial year was the first year this effectiveness measure commenced.
The variance between the 2010-11 Estimated Actual and the 2010-11 Budget is directly due to an increase in the number of attendees. When the 2010-11 Budget was formulated, it was expected that No. 1 Pump Station at Mundaring would be closed due to planned work activities by the Water Corporation. However, this work has not yet commenced.

The variance between the 2011-12 Budget Target and the 2010-11 Estimated Actual is due to an expected increase in the number of attendees at courses. This expected increase is supported by an increase in interpretation/education resources and the introduction of the national curriculum.

- The variance in percentage increase in the number of hectares protected by covenants in the 2009-10 Actual compared to the 2010-11 Budget, the 2010-11 Estimated Actual and the 2011-12 Budget Target, is due to an exceptionally large number of hectares included in the covenants registered during the 2009-10 financial year. This was unforeseen when the 2010-11 budget was formulated and is not expected to re-occur in the near future as the Bushbank program is closed.

Services and Key Efficiency Indicators

1: Conservation of Built Heritage

As a key service, the Trust has the role of providing conservation to government heritage properties and places including the operation of a major public appeals program with a key focus on conservation works.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service	\$'000 6,566	\$'000 2,133	\$'000 2,140	\$'000 2,689	1
Less Income	5,781	947	947	1,658	2
Net Cost of Service	785	1,186	1,193	1,031	
Employees (Full Time Equivalents)	13	12	12	12	
Efficiency Indicators					
Average Operating Cost per Place Managed	\$30,629	\$21,000	\$22,000	\$26,000	3

Explanation of Significant Movements

(Notes)

- The variance between the 2011-12 Budget Target and the 2010-11 Estimated Actual is due to an additional allowance for heritage appeals and property maintenance in 2011-12.
- The variance between the 2011-12 Budget Target and the 2010-11 Estimated Actual is due to an expected increase in heritage appeal and property income in 2011-12.
- The variance between the 2011-12 Budget Target and the 2010-11 Estimated Actual is largely related to an increase in the number of properties managed, plus an above normal escalation of maintenance expenditure on heritage places.

2: Interpretation - Heritage Awareness and Education

The interpretation-heritage awareness and education service includes programs targeted at the general public, schools, professional development and training and community service.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service	\$'000 1,617	\$'000 1,313	\$'000 1,314	\$'000 2,033	1
Less Income	864	377	377	466	2
Net Cost of Service	753	936	937	1,567	
Employees (Full Time Equivalents)	9	10	10	13	
Efficiency Indicators					
Average Cost per Attendee of Providing Heritage Awareness and Education ...	\$226	\$265	\$246	\$318	3

Explanation of Significant Movements

(Notes)

1. The variance between the 2011-12 Budget Target and the 2010-11 Estimated Actual is mainly due to the shifting of the interpretation function into the heritage awareness and education area, an expected need for additional equipment plus an expected increase in project work in 2011-12.
2. The variance between the 2011-12 Budget Target and the 2010-11 Estimated Actual is due to the expected increase in external project work in 2011-12.
3. The increase in the average cost per attendee in the 2011-12 Budget Target compared to the 2010-11 Estimated Actual is due to a cost increase relating to the interpretation function of the Trust being re-aligned with the education area of the Trust. Interpretation is directly related to the education function.

3: Conservation of Natural Heritage

The conservation of natural heritage includes a covenanting and stewardship program and special projects associated with the conservation management of the natural environment.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 1,216	\$'000 1,114	\$'000 1,114	\$'000 786	1
Less Income.....	658	748	748	596	2
Net Cost of Service	558	366	366	190	
Employees (Full Time Equivalents)	7	7	7	4	
Efficiency Indicators					
Average Cost per Hectare to Protect Natural Heritage	\$19	\$18	\$17	\$12	3

Explanation of Significant Movements

(Notes)

1. The variance between the 2011-12 Budget Target and the 2010-11 Estimated Actual is the result of the Bushbank revolving fund project no longer operating and a decrease in external funded projects expected in 2011-12.
2. The variance between the 2011-12 Budget Target and the 2010-11 Estimated Actual is the result of the Bushbank revolving fund project no longer operating and a decrease in income from external funded projects expected in 2011-12.
3. The variance between the 2011-12 Budget Target and the 2010-11 Estimated Actual is due to a reduction in the Net Cost of Services in this area due to the completion of the Bushbank revolving fund project.

ASSET INVESTMENT PROGRAM

The Trust's asset investment program includes the continuation of conservation and interpretation at Trust places for the long-term social, economic and environmental benefits of the Western Australian community. The Trust will also continue to maintain its information technology program, including the ongoing development of Internet facilities.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COMPLETED WORKS							
Asset Replacement - 2010-11 Program.....	50	50	50	-	-	-	-
Property Restoration - 2010-11 Program.....	650	650	650	-	-	-	-
Upgrades							
Upgrade and Restoration of the Old Perth Boys School.....	960	960	960	-	-	-	-
NEW WORKS							
Asset Replacement							
2011-12 Program.....	50	-	-	50	-	-	-
2012-13 Program.....	50	-	-	-	50	-	-
2013-14 Program.....	50	-	-	-	-	50	-
2014-15 Program.....	50	-	-	-	-	-	50
Property Restoration							
2011-12 Program.....	650	-	-	650	-	-	-
2012-13 Program.....	650	-	-	-	650	-	-
2013-14 Program.....	650	-	-	-	-	650	-
2014-15 Program.....	650	-	-	-	-	-	650
Upgrades - Luisini Winery	1,500	-	-	1,500	-	-	-
Total Cost of Asset Investment Program.....	5,960	1,660	1,660	2,200	700	700	700
FUNDED BY							
Capital Appropriation.....			1,395	435	435	435	435
Drawdowns from the Holding Account.....			265	265	265	265	265
Internal Funds and Balances.....			-	1,500	-	-	-
Total Funding			1,660	2,200	700	700	700

FINANCIAL STATEMENTS**Income Statement***Expenses*

The increased supplies and services expenditure in the 2009-10 Actual related mainly to community-owned heritage appeals activity of \$3.3 million plus additional expenditure on conservation, repairs and maintenance funded from grant and project income during 2009-10.

Income

The increased grants and subsidies in the 2009-10 Actual relates largely to the receipt of \$1.2 million in grants from the Commonwealth Government and Lotterywest grants. These grants were unforeseen when the 2010-11 Budget was formulated.

The increased other revenue in the 2009-10 Actual relates largely to an increase in receipts from tax-deductible heritage appeals of \$2.7 million and additional unforeseen income received from sponsorships and projects mainly in the education and natural heritage areas.

Statement of Cashflows

The increase in capital appropriation in the 2010-11 Estimated Actual is due to the approval of additional funding brought about by the sale of plot ratio air space over the Old Perth Boys School.

Payments

The increased supplies and services payments in the 2009-10 Actual related mainly to community-owned heritage appeals activity of \$3.3 million plus additional expenditure on conservation, repairs and maintenance funded from grant and project income during 2009-10.

Receipts

The increased other receipts in the 2009-10 Actual related largely to an increase in receipt from tax-deductible heritage appeals of \$2.7 million and additional unforeseen income received from sponsorships and projects mainly in the education and natural heritage areas.

Cash from investing activities

The increase in purchase of non-current assets in the 2010-11 Estimated Actual is due to additional funding received for conservation on the Old Perth Boys School building.

The increase in purchase of non-current assets in the 2011-12 Budget Estimate is due to the expected payment of grant monies held for the Luisini project.

INCOME STATEMENT ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	2,588	2,529	2,537	2,631	2,724	2,790	2,833
Supplies and services	5,497	1,008	1,008	1,846	1,779	2,005	1,876
Accommodation	386	205	205	210	210	210	210
Depreciation and amortisation	329	370	370	370	370	370	370
Other expenses	599	448	448	451	435	422	421
TOTAL COST OF SERVICES	9,399	4,560	4,568	5,508	5,518	5,797	5,710
Income							
Sale of goods and services	680	593	593	723	753	773	773
Grants and subsidies	1,935	302	302	400	400	400	400
Other revenue	4,688	1,177	1,177	1,597	1,635	1,685	1,685
Total Income	7,303	2,072	2,072	2,720	2,788	2,858	2,858
NET COST OF SERVICES	2,096	2,488	2,496	2,788	2,730	2,939	2,852
INCOME FROM STATE GOVERNMENT							
Service appropriations	2,461	2,521	2,521	2,620	2,696	2,772	2,835
Grants from Government	7,172	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	9,633	2,521	2,521	2,620	2,696	2,772	2,835
SURPLUS/(DEFICIENCY) FOR THE PERIOD	7,537	33	25	(168)	(34)	(167)	(17)
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	7,537	33	25	(168)	(34)	(167)	(17)

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

(b) The Full Time Equivalents (FTEs) for 2009-10 Actual, 2010-11 Estimated Actual and 2011-12 Estimates are 29, 29 and 29 respectively. In some cases the figures for 2009-10 and 2010-11 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	1,786	1,127	1,649	1,237	1,194	1,018	942
Restricted cash.....	3,448	3,823	3,448	1,948	1,948	1,948	1,948
Holding account receivables.....	265	265	265	265	265	265	265
Receivables	202	100	110	214	214	214	214
Other.....	333	75	333	340	340	340	340
Assets held for sale.....	615	795	615	615	615	615	615
Total current assets.....	6,649	6,185	6,420	4,619	4,576	4,400	4,324
NON-CURRENT ASSETS							
Holding account receivables.....	392	530	530	668	806	944	1,082
Property, plant and equipment.....	57,743	54,953	59,128	61,698	62,028	62,358	62,688
Intangibles	113	-	113	113	113	113	113
Other.....	1,603	1,349	1,529	789	789	789	789
Total non-current assets	59,851	56,832	61,300	63,268	63,736	64,204	64,672
TOTAL ASSETS.....	66,500	63,017	67,720	67,887	68,312	68,604	68,996
CURRENT LIABILITIES							
Employee provisions	523	386	423	423	423	423	423
Payables.....	443	236	343	243	267	291	265
Other.....	64	46	64	64	64	64	64
Total current liabilities	1,030	668	830	730	754	778	752
NON-CURRENT LIABILITIES							
Employee provisions	45	24	45	45	45	45	45
Total non-current liabilities	45	24	45	45	45	45	45
TOTAL LIABILITIES	1,075	692	875	775	799	823	797
EQUITY							
Contributed equity.....	4,076	4,511	5,471	5,906	6,341	6,776	7,211
Accumulated surplus/(deficit)	37,925	30,455	37,950	37,782	37,748	37,581	37,564
Reserves	23,424	27,359	23,424	23,424	23,424	23,424	23,424
Total equity.....	65,425	62,325	66,845	67,112	67,513	67,781	68,199
TOTAL LIABILITIES AND EQUITY	66,500	63,017	67,720	67,887	68,312	68,604	68,996

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	2,068	2,118	2,118	2,217	2,293	2,369	2,432
Capital appropriation	435	435	1,395	435	435	435	435
Holding account drawdowns	265	265	265	265	265	265	265
Net cash provided by State Government	2,768	2,818	3,778	2,917	2,993	3,069	3,132
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(2,524)	(2,630)	(2,638)	(2,632)	(2,725)	(2,791)	(2,834)
Supplies and services	(5,366)	(980)	(980)	(1,950)	(1,851)	(2,077)	(1,998)
Accommodation	(386)	(188)	(188)	(193)	(193)	(193)	(193)
Other payments	(1,287)	(738)	(738)	(641)	(625)	(612)	(611)
Receipts							
Grants and subsidies	1,935	302	302	400	400	400	400
Sale of goods and services	755	593	593	723	753	773	773
GST receipts	574	270	270	270	270	270	270
Other receipts	4,582	1,124	1,124	1,394	1,635	1,685	1,685
Net cash from operating activities	(1,717)	(2,247)	(2,255)	(2,629)	(2,336)	(2,545)	(2,508)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(2,563)	(700)	(1,660)	(2,200)	(700)	(700)	(700)
Proceeds from sale of non-current assets	255	-	-	-	-	-	-
Net cash from investing activities	(2,308)	(700)	(1,660)	(2,200)	(700)	(700)	(700)
NET INCREASE/(DECREASE) IN CASH HELD	(1,257)	(129)	(137)	(1,912)	(43)	(176)	(76)
Cash assets at the beginning of the reporting period	6,491	5,079	5,234	5,097	3,185	3,142	2,966
Cash assets at the end of the reporting period	5,234	4,950	5,097	3,185	3,142	2,966	2,890

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

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 Trust:

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Grants and Subsidies	1,935	302	302	400	400	400	400
GST Receipts on Sales	574	270	270	270	270	270	270
Interest Received	201	240	240	245	245	245	245
Other Receipts	4,381	884	884	1,149	1,390	1,440	1,440
User Fees and Charges	755	593	593	723	753	773	773
TOTAL.....	7,846	2,289	2,289	2,787	3,058	3,128	3,128

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

Part 16

Minister for Agriculture and Food; Forestry; Corrective Services

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2010-11 Budget \$' 000	2010-11 Estimated Actual \$' 000	2011-12 Budget Estimate \$' 000
773	Agriculture and Food			
	- Delivery of Services.....	158,161	158,343	154,943
	- Capital Appropriation.....	19,058	6,155	14,000
	Total	177,219	164,498	168,943
788	Rural Business Development Corporation			
	- Delivery of Services.....	200	4,700	206
	Total	200	4,700	206
796	Corrective Services			
	- Delivery of Services.....	594,622	604,345	636,213
	- Capital Appropriation.....	176,784	125,716	98,316
	Total	771,406	730,061	734,529
807	Office of the Inspector of Custodial Services			
	- Delivery of Services.....	2,960	2,914	3,095
	- Capital Appropriation.....	91	91	52
	Total	3,051	3,005	3,147
GRAND TOTAL				
	- Delivery of Services.....	755,943	770,302	794,457
	- Capital Appropriation.....	195,933	131,962	112,368
	Total.....	951,876	902,264	906,825

AGRICULTURE AND FOOD

PART 16 - MINISTER FOR AGRICULTURE AND FOOD; FORESTRY; CORRECTIVE SERVICES

DIVISION 64

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 97 Net amount appropriated to deliver services	147,174	156,769	156,951	153,473	144,146	148,446	152,329
Amount Authorised by Other Statutes							
- Agriculture and Related Resources Protection Act 1976.....	1,014	1,080	1,080	-	-	-	-
- Biosecurity and Agriculture Management Act 2007	-	-	-	1,144	1,173	1,204	1,235
- Salaries and Allowances Act 1975.....	301	312	312	326	335	340	351
Total appropriations provided to deliver services ^(a)	148,489	158,161	158,343	154,943	145,654	149,990	153,915
CAPITAL							
Item 156 Capital Appropriation.....	4,058	19,058	6,155	14,000	9,417	12,694	51,500
TOTAL APPROPRIATIONS	152,547	177,219	164,498	168,943	155,071	162,684	205,415
EXPENSES							
Total Cost of Services ^(a)	228,620	281,627	254,323	241,417	230,929	224,869	231,622
Net Cost of Services ^{(a) (b)}	156,183	162,212	182,534	169,609	159,181	153,090	157,937
CASH ASSETS ^(c)	58,796	42,625	53,926	47,686	33,967	30,037	26,579

- (a) The 2009-10 Actual and 2010-11 Budget and Estimated Actual have been restated for comparability to account for the amalgamation of the Department of Agriculture and Food and the Agriculture Protection Board of Western Australia as shown in the reconciliation table after the financial statements.
- (b) 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.
- (c) As at 30 June each financial year.

MAJOR SPENDING CHANGES

Details of major decisions impacting on the agency's Income Statement since publication of the 2010-11 Budget to Parliament on 20 May 2010 are outlined below.

	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Carnarvon Growers Flood Recovery Scheme	1,500	1,500	-	-	-
Farm Business Planning Program	-	8,000	-	-	-
Improving Animal Welfare in Western Australia.....	-	900	900	900	900

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 goals 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
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.	Land managers and producers using best management practices.	1. Land Management
	Reduced incidence and impact of environmental and community-based risks.	5. Community and Environmental Risk Management
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.	An innovative and adaptive production sector, which effectively manages risk.	2. Production System Solutions
	Competitive food and agricultural industries.	3. Industry and Regional Support
Results-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	Increased value of domestic and international trade.	4. Market Development

Service Summary

Expense	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
1. Land Management.....	60,916	98,211	93,376	83,750	83,656	82,462	84,066
2. Production System Solutions.....	100,561	109,686	77,289	76,546	69,190	66,812	69,568
3. Industry and Regional Support.....	13,422	15,053	38,557	38,426	34,967	33,832	35,330
4. Market Development.....	40,498	44,908	32,099	30,067	30,331	29,529	30,810
5. Community and Environmental Risk Management	13,223	13,769	13,002	12,628	12,785	12,234	11,848
Total Cost of Services.....	228,620	281,627	254,323	241,417	230,929	224,869	231,622

Significant Issues Impacting the Agency

- **Seasonal and market impacts:** Six poor seasons over the past 11 years and the unprecedented dry season in 2010 over much of the State has seriously impacted the equity, cashflow and sustainability of many of our agricultural businesses and rural communities. In response, the Department will focus on driving a progressive and profitable agricultural sector by enhancing the agriculture and food industries' ability to adapt and recover by ensuring it has the appropriate support, infrastructure, contemporary policy settings and knowledge.
- **A more demanding business environment:** Australia's agriculture and food industries are facing increasing pressure from a range of factors such as more variable climatic conditions and more volatile commodity prices, and from a competitive labour market and high Australian dollar that flow from our strong resources sector. The Department will work in partnership with industry and others to encourage the adoption of new technologies, farming systems and risk mitigation strategies and to minimise input and regulatory costs. New departmental headquarters and the Australian Export Grain Innovation Centre will provide the Department and the sector with contemporary facilities that will create the platform to attract third party investment in research and development, world class scientists and new partnerships with industry.
- **Building business skills:** The increasing complexity of the sector and the need for international competitiveness means that all agri-business enterprises need to hone their business skills. The Department will support the sector by equipping industry with the ability to develop their business skills themselves and by working directly with participants in the whole supply chain. The Department will also seek to attract inspired people to move into the sector to secure the next generation expertise and practitioners it needs for its continued success.
- **Increasing biosecurity risks:** The movement of people and products in and out of the State will continue to expand rapidly and this additional movement increases the risk of introducing exotic pests, weeds and diseases that have the potential to seriously impact our industries and environment. The Department is committed to working with industry and communities in developing and implementing measures such as enhanced pre-border and border activities to manage these risks.
- **Land and water availability:** The sector's ability to capitalise on the growing demand for quality food products in rapidly expanding markets such as China, India and Indonesia relies on it having access to appropriate land and water resources. The Department will work with industry and others to ensure that the sector has access to the strategic land and water resources needed to capitalise on these opportunities.
- **Increasing urbanisation:** The sector will come under direct land and resource pressure from increasing urbanisation. The Department will work across Government and industry to build effective land planning approaches to ensure valuable production and processing capacity is maintained.
- **Access to information:** Continuing advances in information delivery and analytical systems present both opportunities and risks to the sector. The Department will focus on ensuring it can provide industry and communities with the information they need to make informed decisions in a timely way. The Department will also use these technologies to drive innovation.
- **Community and customer expectations:** There are increasing local and global expectations regarding the quality, safety and supply of food and fibre. The Department, in partnership with industry and others, is committed to promoting a positive profile of our agriculture and food industries. This includes administering the *Animal Welfare Act 2002* to meet community expectations, which is being transferred with significantly increased resources to the Department. The State Government's strengthened commitment will include the appointment of six additional full-time inspectors and doubling of annual funding to the RSPCA to \$500,000.
- **Productive capacity of soil and water resources:** The long-term productivity of agriculture depends on it having a healthy natural resource base. The Department will work with industry to protect and enhance its soil and water resources, with a focus on areas such as soil erosion, offsite nutrient export and soil acidity.

Outcomes and Key Effectiveness Indicators ^(a)

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Outcome: Land managers and producers using best management practices:					
Activity on the adoption of management practices that address off-site environmental impact or contribute to the long-term sustainability of the natural resource base:					
Survey results regarding the adoption of sustainable practices in the sheep/wheat agricultural area (by percentage):					
Agromony practices - stubble retention or mulching practices.....	61	75	63	63	
Land conservation management - tree/shrub planting	72	52	60	50	
Resource monitoring - regular soil testing for nutrient levels	75	78	70	75	
Surface water management - water on sloping land (e.g. grade banks)	59	52	50	60	
The impact of Department activity on improving the capacity of primary producers to sustainably and profitably manage the agricultural resource base (number and by region)	50	35	39	36	1
Outcome: An innovative and adaptive production sector, which effectively manages risk:					
Uptake of crop varieties developed by the Department.....	88	93	82	83	
The outcomes of research, development and extension projects improve the profitability or potential profitability of rural industries (selected profitability measures):					
Average diameter of Western Australian wool tested.....	20	20.1	20	20	
Western Australian wheat yield (tonne/per hectare)	1.65	1.86	0.97	1.4	2
Outcome: Competitive food and agricultural industries:					
The impact of Department activity on the capacity of agri-industry to manage change and to respond to opportunities:					
Number of survey respondents who have adopted one of four risk management strategies (by percentage)	87	72	73	72	
Outcome: Increased value of domestic and international trade:					
New market opportunities are developed or maintained for Western Australian agricultural produce:					
Exports to selected markets from Trade and Development (in millions) ^{(b) (c)}	216.4	220.9	194.5	127.5	3
Interceptions of significant pests, diseases and weeds by interstate and international barrier quarantine activities	290	223	155	195	4
Outcome: Reduced incidence and impact of environmental and community based risks:					
Activity on the management of community and environmental risks:					
Potential susceptible area infected:					
Starlings.....	2.2	0.5	0	0	5
European House Borer (EHB) ^(d)	0.157	0.8	0.158	0.16	

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

(b) Export trade is reported on a calendar year rather than on a financial year basis.

(c) Over a number of years the Department has focused its efforts on increasing the value of trade over a range of products to various destinations. Selected market is the term used to summarise those products and destinations.

(d) Some invasive species are considered to pose an environmental and community risk within a given area. The measure considers the number of Starlings and EHB incursions identified within that potential area (by percentage).

Explanation of Significant Movements

(Notes)

- 2009-10 saw a marked increase in participation in formal Natural Resource Management/Landcare training options. It is not expected that participation will continue at this elevated level.
- 2010 was the driest on record for around two thirds of the Wheatbelt, significantly reducing wheat yield.

3. The poor 2010 growing season reduced the volume and quality of production, and a high Australian dollar has reduced the competitiveness of Western Australian exports. The impact of a high dollar and increasingly competitive markets are expected to continue through 2011-12.
4. The reduction in the estimated number of interceptions in 2010-11 is seen as being the result of seasonal conditions and improved public understanding and management practices. It is anticipated this figure will increase in 2011-12 due to the increased movement of people and products across the State border.
5. The number of starlings in the State is thought to have significantly reduced.

Services and Key Efficiency Indicators

1: Land Management

Healthy land and water resources are essential to the prosperity of the agriculture and food sector and its contribution to Western Australia's economy and communities. The Department encourages the use of best management practices that underpin progressive and profitable agriculture and food production. It has a lead role in ensuring that the sector employs resource management practices that give due consideration to the challenges of a changing and variable climate, sustainability of the State's resource base and long-term economic development. The Department's key strategies include:

- ensuring land and water resources meet future industry needs - by cross-agency leadership and coordinated planning, and resource assessment and appropriate land use reform;
- ensuring sustainable management of land and water resources in a changing climate - by developing long-term management solutions to salinity, soil degradation and water quality, and extending practical risk management strategies and tools that address seasonal variability;
- managing biosecurity risks of importance to industry - by assessing and prioritising risks, promoting the application of management strategies and tools, and ensuring appropriate industry engagement and investment; and
- enhancing natural resource management partnerships - by developing relationships with businesses, landholders, catchment groups, communities and State and Commonwealth Government agencies, and by targeting investment in the stewardship of land and water resources.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service	\$'000 60,916	\$'000 98,211	\$'000 93,376	\$'000 83,750	1
Less Income	9,708	41,074	22,141	24,446	2
Net Cost of Service	51,208	57,137	71,235	59,304	
Employees (Full Time Equivalents)	248	300	228	229	
Efficiency Indicators					
Average Cost per Unit of Research and Development Aimed at Sustainable Resource Systems	\$33,000	\$155,000	\$68,000	\$53,000	3
Average Cost per Activity Focused on Best Management Practices	\$17,000	\$22,000	\$32,000	\$24,000	3

Explanation of Significant Movements

(Notes)

1. The Department is undertaking a significant transformation to more accurately reflect its role as an outcome-focused economic development agency delivering through projects. The impact of this process is partially reflected in 2010-11 estimated expenditure and fully reflected in the budget figures for 2011-12 and out years.

The decreased budget expenditure in 2011-12 and out years largely reflects the finalisation of State and Commonwealth Natural Resource Management projects in 2010-11.

2. The decrease in budget income from \$41.1 million to \$22.1 million in 2010-11 is a result of the reclassification of Caring for our Country activities from Controlled to Administered.
3. Budget and investment changes resulting from the Department's transformation distort the current suite of indicators. New performance indicators will be introduced for the 2012-13 financial year.

2: Production System Solutions

Profitable production systems are essential to the agriculture and food sector's long-term viability and ability to contribute to the State's economic development. The Department will continue to play a lead role in helping industry increase its productivity, manage risks and seize opportunities. The Department's key strategies include:

- Improving the profitability of major industries - by identifying and analysing supply chain productivity drivers and risks, evaluating opportunities for product and processing development, and facilitating focused industry development projects;
- Improving grain industry profitability - by improving grain yields and seasonal performance, and providing access to high quality crop genetics, technology and risk management tools;
- Expanding and diversifying businesses - by assisting industry analysis, planning and approvals, facilitating infrastructure and natural resource development, and minimising regulation and compliance costs; and
- Managing biosecurity risks of importance to industry - by assessing and prioritising risks, extending management strategies and tools, and ensuring appropriate industry engagement and investment.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 100,561	\$'000 109,686	\$'000 77,289	\$'000 76,546	1
Less Income.....	39,720	54,547	19,104	16,291	2
Net Cost of Service	60,841	55,139	58,185	60,255	
Employees (Full Time Equivalents)	602	661	570	574	
Efficiency Indicators					
Average Cost per Unit of Research and Development Aimed at Production					
System Solutions	\$42,000	\$112,000	\$46,000	\$41,000	3
Average Cost per Activity Focused on Innovation and Adaptation	\$22,000	\$48,000	\$22,000	\$19,000	3
Average Cost per Regulatory Activity	\$300	\$400	\$300	\$300	

Explanation of Significant Movements

(Notes)

1. The Department is undertaking a significant transformation to more accurately reflect its role as an outcome-focused economic development agency delivering through projects. The impact of this process is partially reflected in 2010-11 estimated expenditure and fully reflected in the budget figures for 2011-12 and out years.

The *Agriculture Protection Board Act 1950* was repealed on the 18th of December 2010. The Department had previously provided services to the Agriculture Protection Board (APB) through a service agreement, however, it is now responsible for all remaining functions exercised by the APB.

2. The decrease in income from \$54.5 million in the 2010-11 Budget to \$16.3 million in 2011-12 is a result of the Department's transformation program that has seen a shift in activities from Production System Solutions to Industry and Regional Support.
3. Budget and investment changes resulting from the Department's transformation distort the current suite of indicators. New performance indicators will be introduced for the 2012-13 financial year.

3: Industry and Regional Support

The profitability and reliance of industries is increasingly linked to their business capability and the efficiency of the overall value chain. The Department is significantly increasing its investment in this area, with a focus on supply chain effectiveness. It plays a lead role in ensuring that the sector has the skills, technology and knowledge needed to make sound decisions on both an industry and regional basis. The Department's key strategies include:

- Determining industry development needs and priorities - by establishing effective regional industry and government partnership and planning arrangements at State and national levels;
- Enhancing business adaptability and resilience - by providing targeted information, analysis and business skills development throughout the supply chain;
- Equipping industry groups to provide leadership - by engaging industry and regional groups (such as grower groups, industry associations and indigenous agricultural businesses) and improving their business systems and skills;
- Strengthening agricultural skills development across all industry sectors - by developing appropriate programs for all industry sectors, and promoting career and education opportunities in the agriculture and food sector;
- Fostering new and emerging business opportunities in regions - by assessing downstream value adding opportunities, and supporting associated economic and job development; and
- Consolidating the Department as a dynamic economic development organisation - by transforming its culture, infrastructure and business systems to lead and facilitate the agriculture and food sector to achieve its potential.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service	\$'000 13,422	\$'000 15,053	\$'000 38,557	\$'000 38,426	1
Less Income	1,647	4,400	14,568	14,403	2
Net Cost of Service	11,775	10,653	23,989	24,023	
Employees (Full Time Equivalents)	178	69	211	213	
Efficiency Indicators					
Average Cost per Activity Focused on Food Industry Needs, Issues and Policy Development	\$27,000	\$589,000	\$96,000	\$82,000	3
Average Cost per Activity Focused on Industry Supply Chain Issues	\$27,000	\$114,000	\$96,000	\$82,000	3
Average Cost per Activity Focused on Regional Industry Needs and Issues	\$27,000	\$143,000	\$96,000	\$82,000	3

Explanation of Significant Movements

(Notes)

1. The Department is undertaking a significant transformation to more accurately reflect its role as an outcome-focused economic development agency delivering through projects. The impact of this process is partially reflected in 2010-11 estimated expenditure and fully reflected in the budget figures for 2011-12 and out years.
2. The increase in income from \$4.4 million in the 2010-11 Budget to \$14.4 million in 2011-12 is a result of the Department's transformation program that has seen a shift in activities from Production System Solutions to Industry and Regional Support.
3. Budget and investment changes resulting from the Department's transformation distort the current suite of indicators. New performance indicators will be introduced for the 2012-13 financial year.

4: Market Development

The identification and establishment of new markets, the expansion of existing markets and the facilitation of more efficient transport and trade arrangements are important roles for government. This is of critical importance in Western Australia given that 80% of our agricultural product is exported. The Department's key strategies include:

- Extracting more value from target markets - by providing industry with improved product and market knowledge, and improving information exchange throughout the supply chain;
- Expanding market opportunities - by encouraging productive relationships between supply chain customers, government and industry organisations, addressing biosecurity, tariffs and other trade related impediments, streamlining regulation, and attracting investment in priority export and domestic market opportunities; and
- Enhancing the profile of the State's agriculture and food sector - by raising local, national and international awareness and recognition of the opportunities, achievements and excellence in the Western Australian sector.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 40,498	\$'000 44,908	\$'000 32,099	\$'000 30,067	1
Less Income.....	16,112	15,605	13,845	13,860	
Net Cost of Service	24,386	29,303	18,254	16,207	
Employees (Full Time Equivalents)	179	250	182	183	
Efficiency Indicators					
Average Cost per Unit of Research and Development aimed at Market Development Services.....	\$48,000	\$451,000	\$52,000	\$43,000	2
Average Cost per Activity Focused on Market Development, Policy and Advice	\$25,000	\$120,000	\$24,000	\$20,000	2
Average Cost per Activity Focused on Legislation, Regulation and Policy Development	\$25,000	\$120,000	\$24,000	\$20,000	2
Average Cost per Regulatory Activity Processed.....	\$300	\$400	\$300	\$300	
Average Cost per Freight Consignment Inspected (Not All Consignments Inspected)	\$30	\$40	\$30	\$40	
Average Cost per Diagnostic Sample.....	\$200	\$200	\$200	\$200	

Explanation of Significant Movements

(Notes)

1. The Department is undertaking a significant transformation to more accurately reflect its role as an outcome-focused economic development agency delivering through projects. The impact of this process is partially reflected in 2010-11 estimated expenditure and fully reflected in the budget figures for 2011-12 and out years.

The change reflects the Department's more strategic approach to investment in market development, with a focus on select, high value products and markets, market intelligence and industry partnerships, with industry playing a more significant role in promotional activities.

2. Budget and investment changes resulting from the Department's transformation distort the current suite of indicators. New performance indicators will be introduced for the 2012-13 financial year.

5: Community and Environmental Risk Management

The Department provides a range of services that reduce the incidence and impact of pests and diseases that do not directly affect Western Australian agriculture, but are of national, community or environmental concern. These services include:

- Management of biosecurity risks of importance to the community or environment; and
- Assessment and prioritisation of risks, extension of management strategies and tools, and ensuring appropriate community and regional engagement and investment.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 13,223	\$'000 13,769	\$'000 13,002	\$'000 12,628	
Less Income.....	5,250	3,789	2,131	2,808	
Net Cost of Service	7,973	9,980	10,871	9,820	
Employees (Full Time Equivalents)	125	70	75	76	
Efficiency Indicators					
Average Cost per Activity Focused on Community and Environmental Risk Management Services.....	\$24,000	\$131,000	\$29,000	\$24,000	1
Average Cost per Diagnostic Sample Related to Non-Agricultural Pests and Diseases.....	\$200	\$200	\$200	\$200	

Explanation of Significant Movements

(Notes)

1. Budget and investment changes resulting from the Department's transformation distort the current suite of indicators. New performance indicators will be introduced for the 2012-13 financial year.

ASSET INVESTMENT PROGRAM

The asset investment program includes funding of \$234.0 million (partly offset by asset sales of \$48.4 million) for the Department of Agriculture and Food Headquarters redevelopment, including the Australian Export Grain Innovation Centre. It also includes funding of \$34.0 million for the Information Management Systems Upgrade and \$3.0 million for the New Crops for New Climate Environment facilities.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
Agriculture Headquarters Redevelopment including							
Australian Export Grain Innovation Centre.....	233,989	4,824	300	4,000	6,000	10,000	47,000
Information Management Systems Upgrade	34,127	6,000	6,000	9,000	6,000	4,500	4,500
New Crops for New Climate Environment Facilities in							
Merredin and Katanning.....	3,000	2,000	2,000	1,000	-	-	-
COMPLETED WORKS							
Capital Equipment Replacement Program							
2010-11 Program.....	3,900	3,900	3,900	-	-	-	-
NEW WORKS							
Capital Equipment Replacement Program							
2011-12 Program.....	4,200	-	-	4,200	-	-	-
2012-13 Program.....	34,600	-	-	-	4,300	4,500	4,700
Total Cost of Asset Investment Program.....	313,816	16,724	12,200	18,200	16,300	19,000	56,200
FUNDED BY							
Capital Appropriation.....			6,155	14,000	9,417	12,694	51,500
Drawdowns from the Holding Account.....			3,900	4,200	4,300	4,500	4,700
Internal Funds and Balances.....			2,145	-	2,583	1,806	-
Total Funding			12,200	18,200	16,300	19,000	56,200

FINANCIAL STATEMENTS

Income Statement

Expenses

The Total Cost of Services for 2010-11 Estimated Actual of \$252.4 million compared to 2011-12 Budget of \$241.4 million represents a \$11.0 million reduction, primarily as a result of reduced Natural Resource Management activities.

Statement of Financial Position

The Department's financial position is expected to remain constant in the foreseeable future, noting that the 2014-15 increase in total assets reflects the inclusion of the new Headquarters redevelopment.

Statement of Cashflows

The 2011-12 closing cash position has declined primarily as a result of the distribution of the first stages of State Saleyard Strategy funding to the shires of Katanning, Plantagenet and Boyanup. The funding was received from the Western Australian Meat Industry Authority in 2010-11.

INCOME STATEMENT ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	128,153	128,925	124,711	125,680	127,951	130,815	134,444
Grants and subsidies ^(c)	30,423	80,905	64,215	44,094	42,408	31,991	32,550
Supplies and services	26,131	42,644	40,930	44,395	34,272	35,265	30,948
Accommodation	7,867	6,395	6,395	6,952	6,952	6,952	7,900
Depreciation and amortisation	8,174	7,420	7,420	7,840	7,840	8,290	8,456
Other expenses	21,640	9,719	8,719	12,456	11,506	11,556	17,324
TOTAL COST OF SERVICES.....	222,388	276,008	252,390	241,417	230,929	224,869	231,622
Income							
Sale of goods and services	9,570	11,936	11,936	12,024	12,074	12,074	12,496
Regulatory fees and fines	52	1,665	5,425	6,910	6,939	6,970	7,059
Grants and subsidies	34,339	81,690	33,370	33,370	33,970	33,970	35,883
Other revenue	23,279	19,719	19,227	19,504	18,765	18,765	18,247
Total Income	67,240	115,010	69,958	71,808	71,748	71,779	73,685
NET COST OF SERVICES	155,148	160,998	182,432	169,609	159,181	153,090	157,937
INCOME FROM STATE GOVERNMENT							
Service appropriations	147,422	157,027	157,209	154,943	145,654	149,990	153,915
Resources received free of charge	971	677	677	698	721	723	730
Royalties for regions fund ^(d)	310	734	1,667	6,728	2,117	700	-
TOTAL INCOME FROM STATE GOVERNMENT	148,703	158,438	159,553	162,369	148,492	151,413	154,645
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(6,445)	(2,560)	(22,879)	(7,240)	(10,689)	(1,677)	(3,292)

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

(b) The Full Time Equivalents (FTEs) for 2009-10 Actual, 2010-11 Estimated Actual and 2011-12 Estimates are 1,332, 1,266 and 1,275 respectively. In some cases the figures for 2009-10 and 2010-11 may differ from previously published figures due to changes in calculation methodology.

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

(d) Regional Community Services Fund - \$0.3 million (2009-10), \$0.7 million (2010-11), \$1.7 million (2010-11 Estimated Out Turn), \$6.7 million (2011-12), \$2.1 million (2012-13), \$0.7 million (2013-14), \$0 (2014-15).

Details of Controlled Grants and Subsidies

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Compensations	82	50	91	100	100	100	100
Other	3,048	2,693	3,353	3,689	3,700	4,000	4,000
Research Grant Allocations	25,887	77,371	59,225	38,604	36,878	26,091	26,650
Scholarships	141	95	155	171	180	200	200
Subsidies	1,265	696	1,391	1,530	1,550	1,600	1,600
TOTAL.....	30,423	80,905	64,215	44,094	42,408	31,991	32,550

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	12,397	10,972	22,707	19,604	7,899	2,949	2,471
Restricted cash.....	44,466	30,132	29,280	25,770	23,333	23,903	20,445
Holding account receivables.....	3,900	4,200	4,200	4,300	4,500	4,700	4,700
Receivables	9,743	15,150	9,743	10,555	11,002	10,993	10,020
Other.....	3,286	3,834	3,286	3,533	3,533	3,533	3,533
Total current assets.....	73,792	64,288	69,216	63,762	50,267	46,078	41,169
NON-CURRENT ASSETS							
Holding account receivables.....	38,627	41,847	41,847	48,399	51,739	55,329	59,085
Property, plant and equipment.....	212,573	215,133	206,707	204,190	202,017	205,408	252,007
Restricted cash.....	1,933	1,521	1,939	2,312	2,735	3,185	3,663
Other.....	12,254	7,335	10,854	11,554	14,837	16,643	17,788
Total non-current assets	265,387	265,836	261,347	266,455	271,328	280,565	332,543
TOTAL ASSETS.....	339,179	330,124	330,563	330,217	321,595	326,643	373,712
CURRENT LIABILITIES							
Employee provisions	32,437	30,254	32,469	32,469	32,469	32,469	32,469
Payables.....	10,083	7,429	10,083	9,689	9,167	8,189	6,528
Other.....	1,687	1,919	1,987	2,515	3,037	3,559	4,081
Total current liabilities	44,207	39,602	44,539	44,673	44,673	44,217	43,078
NON-CURRENT LIABILITIES							
Employee provisions	6,777	10,509	6,777	6,777	6,777	6,777	6,777
Total non-current liabilities	6,777	10,509	6,777	6,777	6,777	6,777	6,777
TOTAL LIABILITIES	50,984	50,111	51,316	51,450	51,450	50,994	49,855
EQUITY							
Contributed equity.....	29,558	35,877	43,489	50,189	52,256	59,437	110,937
Accumulated surplus/(deficit)	48,740	43,430	25,861	18,621	7,932	6,255	2,963
Reserves	209,897	200,706	209,897	209,957	209,957	209,957	209,957
Total equity.....	288,195	280,013	279,247	278,767	270,145	275,649	323,857
TOTAL LIABILITIES AND EQUITY	339,179	330,124	330,563	330,217	321,595	326,643	373,712

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	140,362	149,607	149,789	147,103	137,814	141,700	145,459
Capital appropriation.....	4,058	19,058	6,155	14,000	9,417	12,694	51,500
Holding account drawdowns.....	3,107	3,900	3,900	4,200	4,300	4,500	4,700
Royalties for regions fund ^(b)	310	734	1,667	6,728	2,117	700	-
Net cash provided by State Government.....	147,837	173,299	161,511	172,031	153,648	159,594	201,659
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(126,694)	(127,375)	(122,961)	(123,664)	(125,889)	(128,751)	(133,144)
Grants and subsidies.....	(30,423)	(80,905)	(64,195)	(44,074)	(42,388)	(31,971)	(32,530)
Supplies and services.....	(31,427)	(42,011)	(40,317)	(43,761)	(33,615)	(34,608)	(30,518)
Accommodation.....	(9,332)	(8,277)	(8,277)	(8,878)	(8,924)	(8,924)	(11,074)
Other payments.....	(22,938)	(20,872)	(20,072)	(24,031)	(23,081)	(23,131)	(27,139)
Receipts							
Regulatory fees and fines.....	50	1,665	5,425	6,910	6,939	6,970	7,059
Grants and subsidies.....	34,306	81,690	33,370	33,370	33,970	33,970	35,883
Sale of goods and services.....	17,042	11,936	11,936	12,024	12,074	12,074	12,496
GST receipts.....	11,892	11,073	11,073	11,073	11,073	11,073	11,073
Other receipts.....	18,238	19,728	19,236	19,513	18,774	18,774	18,977
Net cash from operating activities.....	(139,286)	(153,348)	(174,782)	(161,518)	(151,067)	(144,524)	(148,917)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(3,998)	(22,558)	(12,200)	(18,200)	(16,300)	(19,000)	(56,200)
Other payments.....	(2,968)	-	-	-	-	-	-
Proceeds from sale of non-current assets.....	2,918	-	-	-	-	-	-
Net cash from investing activities.....	(4,048)	(22,558)	(12,200)	(18,200)	(16,300)	(19,000)	(56,200)
NET INCREASE/(DECREASE) IN CASH HELD.....	4,503	(2,607)	(25,471)	(7,687)	(13,719)	(3,930)	(3,458)
Cash assets at the beginning of the reporting period.....	56,071	45,232	58,796	53,926	47,686	33,967	30,037
Net cash transferred to/from other agencies.....	(1,778)	-	20,601	1,447	-	-	-
Cash assets at the end of the reporting period.....	58,796	42,625	53,926	47,686	33,967	30,037	26,579

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

(b) Regional Community Services Fund - \$0.3 million (2009-10), \$0.7 million (2010-11), \$1.7 million (2010-11 Estimated Out Turn), \$6.7 million (2011-12), \$2.1 million (2012-13), \$0.7 million (2013-14), \$0 (2014-15).

RECONCILIATION RELATING TO MAJOR FUNCTIONAL TRANSFERS AND ACCOUNTING POLICY CHANGES

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement.....	222,388	276,008	252,390	241,417	230,929	224,869	231,622
Transfer of the Agriculture Protection Board of Western Australia	6,232	5,619	1,933	-	-	-	-
Adjusted Total Cost of Services	228,620	281,627	254,323	241,417	230,929	224,869	231,622
APPROPRIATIONS							
Total Appropriations provided to Deliver Services	147,422	157,027	157,209	154,943	145,654	149,990	153,915
Transfer of the Agriculture Protection Board of Western Australia	1,067	1,134	1,134	-	-	-	-
Adjusted Total Appropriations provided to Deliver Services	148,489	158,161	158,343	154,943	145,654	149,990	153,915

DETAILS OF ADMINISTERED TRANSACTIONS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
INCOME							
Commonwealth Grants							
Caring for our Country ^(a)	25,114	-	24,103	24,103	24,103	-	-
Other							
Interest Revenue.....	1,072	610	610	610	610	610	610
Other Revenue.....	-	-	200	200	200	-	-
User charges and fees.....	2	-	-	-	-	-	-
TOTAL INCOME	26,188	610	24,913	24,913	24,913	610	610
EXPENSES							
Other							
Caring for our Country ^(a)	24,193	-	26,684	24,103	24,103	-	-
Western Australian Co-operatives Loan Scheme:							
Interest Expense	860	610	610	610	610	610	610
Supplies and Services	68	2	2	-	-	-	-
TOTAL EXPENSES	25,121	612	27,296	24,713	24,713	610	610

(a) Caring for our Country activities were transferred from Controlled to Administered post the 2010-11 Budget.

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:

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Grants and Contributions from Non-Government							
Sources	32,715	41,424	31,604	31,604	32,204	32,204	34,117
Grants and Contributions from the Commonwealth	1,591	40,266	1,766	1,766	1,766	1,766	1,766
GST Input Credits	11,892	11,073	11,073	11,073	11,073	11,073	11,073
Interest Received - Non-Trust	116	-	-	-	-	-	-
Interest Received - Trusts	1,141	3,250	2,680	2,680	2,680	2,680	2,648
Miscellaneous Receipts	10,400	10,585	13,820	15,928	16,094	16,094	16,329
Regulatory Fees	50	1,665	5,425	6,910	6,939	6,970	7,059
Sale of Goods and Services	17,042	11,936	11,936	12,024	12,074	12,074	12,496
- Agricultural Produce Commission	75	46	101	201	-	-	-
- Agriculture Protection Board	6,104	5,087	2,217	-	-	-	-
- Rural Business Development Corporation	402	760	418	704	-	-	-
TOTAL	81,528	126,092	81,040	82,890	82,830	82,861	85,488

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

RURAL BUSINESS DEVELOPMENT CORPORATION

PART 16 - MINISTER FOR AGRICULTURE AND FOOD; FORESTRY; CORRECTIVE SERVICES

DIVISION 65

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 98 Net amount appropriated to deliver services	196	200	4,700	206	212	218	223
Total appropriations provided to deliver services	196	200	4,700	206	212	218	223
TOTAL APPROPRIATIONS	196	200	4,700	206	212	218	223
EXPENSES							
Total Cost of Services	3,820	7,519	11,718	5,303	1,985	2,001	303
Net Cost of Services ^(a)	1,925	5,689	10,450	1,731	865	901	293
CASH ASSETS ^(b)	7,729	1,706	2,556	1,226	738	206	136

(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 SPENDING CHANGES

Details of major decisions impacting on the agency's Income Statement since publication of the 2010-11 Budget to Parliament on 20 May 2010 are outlined below.

	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
2010 Dry Season Assistance Scheme	4,500	-	-	-	-

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
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.	Improved ecologically sustainable development of agri-industry.	1. Farm Business Development

Service Summary

Expense	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
1. Farm Business Development.....	3,820	7,519	11,718	5,303	1,985	2,001	303
Total Cost of Services.....	3,820	7,519	11,718	5,303	1,985	2,001	303

Significant Issues Impacting the Agency

- The State Government has created a number of schemes of assistance through the *Rural Business Development Corporation Act 2000*, and administered by the Rural Business Development Corporation (RBDC).
- Season 2010-11 was the driest on record for much of Western Australia impacting on broadacre agriculture, horticulture and pastoral operations. The 2010 Dry Season Assistance Scheme was established to provide a range of assistance measures to help rural communities, businesses and services.
- The Pilot of Drought Reform Measures Scheme 2010-11 administers the trial of a new approach to drought assistance. A National Partnership Agreement on the Pilot of Drought Reform Measures in Western Australia was signed between the State and Commonwealth Governments. The major purpose is funding the Farm Planning Measures, and partly funding the Building Farm Business Grants as well as all administration costs.
- Continuation of the Climate Adaptation Assistance Scheme for the North Eastern Agricultural Region (NEAR) and Eastern Wheatbelt of the Central Agricultural Region (CAR). This Scheme addresses the NEAR and CAR communities' needs for a long-term strategy for the management of issues farmers face in the event of consecutive bad seasons.
- Continuation of the Farm Training Western Australia Scheme and FarmLink Scheme to provide support through the Skills Passport and Recognised Current Competencies project, dry season training activities and Indigenous training events.
- The RBDC has funded two research projects in line with the Government's priority to raise the profile of agriculture and attract more young people into the agriculture and food industries. The successful pilot leadership and mentoring program, 'Grow Zone', was extended for a further year with 12 mentees now having completed the program within the past two years. A new 'Y Zone Advisory group' has been established to provide a forum for young professional people in agriculture to provide strategic direction to the RBDC.

Outcomes and Key Effectiveness Indicators ^(a)

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Outcome: Improved ecologically sustainable development of agri-industry:					
The extent to which recipients were satisfied with the way schemes are administered	93.1%	91%	91%	91%	

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

Services and Key Efficiency Indicators**1: Farm Business Development**

This service provides financial support to farmers who have been significantly impacted by exceptional seasonal events. It assists them to enhance their skills in order to improve and sustain long-term profitability and be better equipped to deal with risks inherent in farming.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service	\$'000 3,820	\$'000 7,519	\$'000 11,718	\$'000 5,303	1
Less Income	1,895	1,830	1,268	3,572	2
Net Cost of Service	1,925	5,689	10,450	1,731	
Efficiency Indicators					
Proportion of Expenditure as Administrative Expenditure	18.3%	14.5%	12.5%	11.8%	

Explanation of Significant Movements

(Notes)

1. The estimated decrease in the Total Cost of Service for the 2011-12 Budget Target compared to the 2010-11 Estimated Actual is a result of the cessation of the 2010 Dry Season Assistance Scheme and completion of the Farm Planning component of the Western Australia Drought Pilot Scheme.
2. The estimated increase in Income for the 2011-12 Budget Target compared to the 2010-11 Estimated Actual reflects Commonwealth funding for the Western Australia Drought Pilot Scheme and the Building Farm Business Grants.

FINANCIAL STATEMENTS**Income Statement***Expenses*

The Income Statement shows an estimated reduction in the Total Cost of Services of \$6.4 million (54.7%) for the 2011-12 Budget Estimate compared to the 2010-11 Estimated Actual. This reduction relates primarily to additional grants and subsidies paid during 2010-11, in particular the Western Australia Drought Pilot and the 2010 Dry Season Assistance Schemes.

Income

The Income Statement shows an estimated increase in Total Income of \$2.3 million (181.7%) for the 2011-12 Budget Estimate compared to the 2010-11 Estimated Actual. This increase is due to additional Commonwealth Government funding in 2011-12 for the Western Australia Drought Pilot Scheme and the Building Farm Business Grants.

Statement of Cashflows

The Statement of Cashflows shows an estimated reduction in the Net Cash from Operating Activities of \$8.3 million (84.4%) for the 2011-12 Budget Estimate compared to the 2010-11 Estimated Actual. This reduction relates primarily to additional grants and subsidies paid during 2010-11, in particular the Western Australia Drought Pilot and the 2010 Dry Season Assistance Schemes, and additional Commonwealth Government funding in 2011-12 for the Western Australia Drought Pilot Scheme and the Building Farm Business Grants.

INCOME STATEMENT ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	-	90	8	8	8	8	8
Grants and subsidies ^(c)	2,974	6,430	10,256	4,678	1,350	1,350	-
Supplies and services	205	100	182	188	194	200	200
Other expenses	641	899	1,272	429	433	443	95
TOTAL COST OF SERVICES	3,820	7,519	11,718	5,303	1,985	2,001	303
Income							
Grants and subsidies	1,464	1,630	1,068	3,472	1,070	1,070	-
Other revenue	431	200	200	100	50	30	10
Total Income	1,895	1,830	1,268	3,572	1,120	1,100	10
NET COST OF SERVICES	1,925	5,689	10,450	1,731	865	901	293
INCOME FROM STATE GOVERNMENT							
Service appropriations	196	200	4,700	206	212	218	223
Resources received free of charge	1	489	489	195	165	151	-
TOTAL INCOME FROM STATE GOVERNMENT	197	689	5,189	401	377	369	223
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(1,728)	(5,000)	(5,261)	(1,330)	(488)	(532)	(70)

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

(b) The Full Time Equivalents (FTEs) for 2009-10 Actual, 2010-11 Estimated Actual and 2011-12 Estimates are 0, 0 and 0 respectively. In some cases the figures for 2009-10 and 2010-11 may differ from previously published figures due to changes in calculation methodology. The Corporation has a Service Delivery Agreement with the Department of Agriculture and Food for the delivery of services.

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

Details of Controlled Grants and Subsidies

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
2007 Dry Season Assistance Scheme.....	112	-	-	-	-	-	-
2010 Dry Season Assistance Scheme.....	-	-	4,200	-	-	-	-
Climate Adaptation Assistance Scheme	272	750	1,050	428	-	-	-
Exceptional Circumstances	2,333	-	-	-	-	-	-
FarmLink Scheme	15	-	254	100	-	-	-
FarmTraining Western Australia Scheme	186	100	272	-	-	-	-
Future Rural Support Schemes.....	-	500	-	250	-	-	-
Research Grants	56	100	100	100	100	100	-
Western Australia Drought Pilot Scheme.....	-	4,980	4,380	3,800	1,250	1,250	-
TOTAL.....	2,974	6,430	10,256	4,678	1,350	1,350	-

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	7,729	1,706	2,556	1,226	738	206	136
Other.....	176	-	88	88	88	88	88
Total current assets.....	7,905	1,706	2,644	1,314	826	294	224
TOTAL ASSETS.....	7,905	1,706	2,644	1,314	826	294	224
CURRENT LIABILITIES							
Payables.....	57	-	57	57	57	57	57
Total current liabilities	57	-	57	57	57	57	57
TOTAL LIABILITIES	57	-	57	57	57	57	57
EQUITY							
Accumulated surplus/(deficit)	7,848	1,706	2,587	1,257	769	237	167
Total equity.....	7,848	1,706	2,587	1,257	769	237	167
TOTAL LIABILITIES AND EQUITY	7,905	1,706	2,644	1,314	826	294	224

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	196	200	4,700	206	212	218	223
Net cash provided by State Government.....	196	200	4,700	206	212	218	223
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	-	(90)	(8)	(8)	(8)	(8)	(8)
Grants and subsidies.....	(3,613)	(6,430)	(10,256)	(4,678)	(1,350)	(1,350)	-
Supplies and services.....	(86)	(100)	(182)	(188)	(194)	(200)	(200)
Other payments.....	(759)	(410)	(783)	(234)	(268)	(292)	(95)
Receipts							
Grants and subsidies.....	1,464	1,730	1,068	3,472	1,070	1,070	-
Other receipts.....	638	200	288	100	50	30	10
Net cash from operating activities.....	(2,356)	(5,100)	(9,873)	(1,536)	(700)	(750)	(293)
NET INCREASE/(DECREASE) IN CASH HELD	(2,160)	(4,900)	(5,173)	(1,330)	(488)	(532)	(70)
Cash assets at the beginning of the reporting period	9,889	6,606	7,729	2,556	1,226	738	206
Cash assets at the end of the reporting period	7,729	1,706	2,556	1,226	738	206	136

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

PERTH MARKET AUTHORITY

ASSET INVESTMENT PROGRAM

While planning and design for the Weekend Market Facility is complete no construction took place in 2010-11 pending development and implementation of the Authority's strategic direction and master plan. It is expected that construction will commence in 2011-12.

The Recycling Centre was completed in April 2011. Further enhancement/operational expansion may take place in 2011-12 however, this will become clearer as the full benefits of the Centre emerge and tenant use increases. As part of the Authority's minor works and environmental sustainability vision, the Solar Energy Initiative, a pilot program designed to benefit the site and in particular the on-site tenants, was completed. Expected success of the initiative will see expansion of the solar investment through additional panel purchase, installation and implementation. In addition, a program of water collection and recycling for alternate use in cleaning, toilets and irrigation will commence; a further commitment to the environmental sustainability vision of the Authority.

The largest project to commence in 2011-12 will be the installation of a Fire Services System, which will provide the Central Trading Area with best practice in fire suppression to comply with current Building Code of Australia standards and allow the Authority to achieve certain objectives in its Business Continuity Plan.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
Weekend Market Facility	8,415	4,366	-	2,049	2,000	-	-
COMPLETED WORKS							
Minor Works - 2010-11 Program	684	684	684	-	-	-	-
Recycling Centre	624	624	410	-	-	-	-
NEW WORKS							
Central Trading Area - Fire Services System	10,397	-	-	5,649	4,748	-	-
Minor Works							
2011-12 Program	478	-	-	478	-	-	-
2012-13 Program	625	-	-	-	625	-	-
2013-14 Program	650	-	-	-	-	650	-
2014-15 Program	650	-	-	-	-	-	650
Total Cost of Asset Investment Program.....	22,523	5,674	1,094	8,176	7,373	650	650
FUNDED BY							
Internal Funds and Balances.....			1,094	8,176	7,373	650	650
Total Funding			1,094	8,176	7,373	650	650

FOREST PRODUCTS COMMISSION

ASSET INVESTMENT PROGRAM

The Commission's asset investment program is limited to an ongoing program to update information technology and other equipment that supports the delivery of its services.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COMPLETED WORKS							
Computers, Plant and Equipment - 2010-11 Program	600	600	600	-	-	-	-
NEW WORKS							
Computers, Plant and Equipment							
2011-12 Program	600	-	-	600	-	-	-
2012-13 Program	600	-	-	-	600	-	-
2013-14 Program	600	-	-	-	-	600	-
2014-15 Program	600	-	-	-	-	-	600
Total Cost of Asset Investment Program.....	3,000	600	600	600	600	600	600
FUNDED BY							
Internal Funds and Balances.....			600	600	600	600	600
Total Funding			600	600	600	600	600

CORRECTIVE SERVICES

PART 16 - MINISTER FOR AGRICULTURE AND FOOD; FORESTRY; CORRECTIVE SERVICES

DIVISION 66

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 99 Net amount appropriated to deliver services	585,219	593,759	603,481	635,320	653,962	676,808	698,179
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975.....	807	863	864	893	920	920	950
Total appropriations provided to deliver services	586,026	594,622	604,345	636,213	654,882	677,728	699,129
CAPITAL							
Item 157 Capital Appropriation.....	77,396	176,784	125,716	98,316	12,941	338	619
TOTAL APPROPRIATIONS	663,422	771,406	730,061	734,529	667,823	678,066	699,748
EXPENSES							
Total Cost of Services	646,200	650,517	665,631	715,116	740,846	769,951	810,859
Net Cost of Services ^(a)	608,663	615,206	630,163	678,078	702,738	730,839	771,747
CASH ASSETS ^(b)	43,118	22,254	26,746	17,918	18,556	21,194	22,832

(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 SPENDING CHANGES

Details of major decisions impacting on the agency's Income Statement since publication of the 2010-11 Budget to Parliament on 20 May 2010 are outlined below.

	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Composite Allowances/Overtime Incentive Bonus/Staffing Review	2,386	1,521	1,378	1,433	1,490
Enhanced District Allowances	1,798	-	-	-	-
Salary and Superannuation Increases	2,561	3,312	4,275	5,059	17,638
Acacia Expansion - Reflow Administered Recurrent	-	-	(2,685)	2,004	13,007
New Eastern Goldfields Regional Prison - Reflow Administered Recurrent Including 2015-16	(2,000)	(7,000)	(13,000)	(13,969)	(2,646)
Royalties for Regions – Regional Workcamp Enhancement Program	-	1,400	4,400	4,400	-
Acacia Contract Wages Parity and Maintenance Escalation	3,200	3,386	3,455	3,559	5,801
Regional Juvenile Transport.....	620	639	658	677	698

RESOURCE AGREEMENT

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Minister, Commissioner 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
Results-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	A safe, secure and decent corrective services which contributes to community safety and reduces offenders' involvement in the justice system.	1. Adult Corrective Services 2. Youth Justice Services

Service Summary

Expense	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
1. Adult Corrective Services	562,837	563,545	576,370	614,569	637,045	663,026	699,078
2. Youth Justice Services	83,363	86,972	89,261	100,547	103,801	106,925	111,781
Total Cost of Services.....	646,200	650,517	665,631	715,116	740,846	769,951	810,859

Significant Issues Impacting the Agency

- To make a positive difference to the lives of offenders, individual offender management plans require an appropriate mix of interventions based on the assessment of the individual's needs, including their level of risk to the community, other individuals and themselves. These intervention strategies - employment; structured day; education and training; health; supervision and reporting; life-skills; cognitive skills; offence specific programs; counselling, and re-settlement services - are a critical component of the Department's future directions for an integrated offender management regime with the aim being to reduce re-offending rates for offenders and improve public confidence in correctional services.
- To assist in addressing the specific needs of Indigenous offenders and their over-representation in the corrections system, the Department is collaborating across government agencies and with Indigenous people to provide culturally appropriate services and programs. In particular, the new regional youth justice services in the Kimberley and Pilbara and development of the new West Kimberley Regional Prison and Warburton Work Camp are being undertaken with strong partnerships with other government agencies and community involvement.
- The State's Custodial Infrastructure Program continues to progress, with completion of 640 new beds at Hakea, Casuarina and Albany and work camps in Wyndham and Warburton in 2010-11. The 80-bed Young Adults Facility for 18-24 year-olds, the new 150-bed West Kimberley Regional Prison and a new work camp at Dowerin in the Wheatbelt will all be completed in 2011-12, and longer-term projects at Eastern Goldfields and Acacia prisons will continue to be progressed.

- The delivery of treatment programs to offenders in custody and in the community is a key component of the Department's mission to make a positive difference. Considerable progress has been made in improving the delivery of programs to offenders over the last two years. Efforts have concentrated on improving the quality and quantity of programs through increased staff levels, improved contracting and the introduction of a range of new programs.
- Recognising the importance of employment in reducing recidivism, the Department has established a State-wide Career and Employment Service to support prisoners and ex-prisoners into sustainable employment options. To date, over 1,400 offenders have received support through this service.
- Preventing young people from entering the formal youth justice system or diverting them away from the system as early as possible and for as long as possible are the most effective ways of improving young people's life opportunities, preventing criminal behaviour and delivering efficiencies in the criminal justice system. New regional youth justice services in the Kimberley and Pilbara regions and the previously established Geraldton and Kalgoorlie services are addressing this issue.
- As at the end of February 2011, the number of distinct persons on adult community corrections orders was 4,491 compared to 4,668 in adult prisons. Comparative statistics for the 2010 calendar year show that the respective recidivism rates for distinct community corrections offenders returning to corrective services (excluding returns on account of suspension/cancellation of early release orders only) is 40%, while the rate for distinct prisoners returning to corrective services is 48%. The offences that attract community corrections orders are usually less serious than those attracting a term of imprisonment; this is one explanation for the variation in recidivism rates. Community corrections orders also have a much lower unit cost compared to imprisonment and, consequently, the Department continues to maintain a high focus on ensuring that community corrections orders are complied with.
- Prisoner transport continues to attract a high public profile. The Department has implemented all of the relevant Coroner's recommendations from the Inquest into the tragic death of Mr Ward, including replacement of the entire secure vehicle fleet. The new contract for the provision of court security and custodial services commences on 31 July 2011. The Department now also undertakes all youth transport in-house, having taken over responsibility for regional youth transport from Western Australia Police in November 2010.

Outcomes and Key Effectiveness Indicators ^(a)

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Outcome: A safe, secure and decent corrective services which contributes to community safety and reduces offenders' involvement in the justice system:					
No of escapes - adult	3	0	3	0	
No of escapes - youth	0	0	1	0	
Rate of serious assault per 100 prisoners	0.08	<0.50	<0.15	<0.49	
Average out of cell hours	12.17	11.7	12	11.8	
Successful completion of community correction orders - adults ^(b)	61.9%	65%	64%	64%	
Successful completion of community-based orders - juveniles ^(b)	66%	68%	68%	68%	
Rate of return - offender programs (adult) ^(c)	43.26%	37%	38%	38%	
Rate of return to detention - juveniles ^(c)	59.9%	49%	51%	50%	

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

(b) Measures related to the completion of community orders are calculated by dividing the number of orders completed by the total number of orders terminated, completed or expired.

(c) Rate of return is a broader justice-wide outcome and is not only related to the activities of the Department of Corrective Services, but also to police, courts and other community activities. A more appropriate measure of recidivism which the Department has more influence over is the Rate of return - Offender programs (Adult) indicator. This measure reflects the rate of return for program completers rather than the previous broad measure for the general population. Note: The indicators: 'Imprisonment Rate per 100,000 population' and 'Community Corrections Rate per 100,000 population' are no longer disclosed in the Budget Papers due to the rate being affected by a number of external factors such as police operations, legislative change or trends and immigration patterns.

Services and Key Efficiency Indicators

1: Adult Corrective Services

An Adult Offender System that:

- contributes to community confidence;
- provides timely offender services;
- ensures court sanctions are completed; and
- contributes to reducing the rate of re-offending and imprisonment.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 562,837	\$'000 563,545	\$'000 576,370	\$'000 614,569	
Less Income.....	35,542	34,530	34,553	36,128	
Net Cost of Service	527,295	529,015	541,817	578,441	
Employees (Full Time Equivalents)	3,455	3,402	3,652	3,652	1
Efficiency Indicators					
Cost per Day of Keeping an Offender in Custody.....	263	264	274	294	1
Cost per Day of Managing an Offender through Community Supervision	35	36	35	37	

Explanation of Significant Movements

(Notes)

1. Increases in the net cost of service and cost per day of managing adult offenders are mainly attributable to increases in staffing and related costs such as wage and salary increases for prison officers, public servants and teachers. Significant costs have also been incurred in the recruitment and training of additional prison officers, and this has been a key contributor to the increase in FTE levels as recruits have increasingly replaced the need for overtime in staffing the State's Prisons. These changes occurred during the 2010-11 financial year with FTEs expected to remain stable during 2011-12 subject to movements in the State's prison population.

2: Youth Justice Services

An accessible and equitable juvenile offender system which:

- diverts juveniles and offenders at risk from offending;
- provides timely intervention and resolution of justice issues;
- ensures the statutory requirements of justice are met; and
- contributes to reducing the rate of re-offending and detention.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 83,363	\$'000 86,972	\$'000 89,261	\$'000 100,547	
Less Income.....	1,995	781	915	910	
Net Cost of Service	81,368	86,191	88,346	99,637	
Employees (Full Time Equivalents)	679	638	688	777	1
Efficiency Indicators					
Cost per Day of Keeping a Juvenile in Detention	626	641	599	645	1
Cost per Day of Managing a Juvenile through Community Supervision.....	101	132	107	116	

Explanation of Significant Movements

(Notes)

- Increases in FTE and the net cost of service are mainly attributable to the expansion of Regional Youth Justice Services in the Kimberley and Pilbara, assuming responsibilities for youth transport services from Western Australia Police, and growth in the numbers of youths in detention. The first two mentioned factors in particular contribute to the increase in the cost per day of managing youth offenders through additional staff and servicing requirements.

ASSET INVESTMENT PROGRAM

Expansion of prison capacity and support infrastructure continues to be a significant element of the Department's asset investment program. The major projects are being delivered via a range of procurement methodologies from traditional government owned design and construct contracts to various forms of public private partnerships.

Between May 2009 and June 2015, through the Custodial Infrastructure Program, a total of 2,601 beds and support infrastructure will be added to the prison system. Up to the end of the 2010-11 financial year, 1,584 beds have been added, including the construction of 640 beds in new units at Casuarina, Hakea and Albany Prisons and new Work camps in Wyndham and Warburton.

A further 280 beds will be completed in 2011-12, namely:

- the new 150-bed West Kimberley Regional Prison near Derby;
- 80 beds will be provided for young men with the commissioning of the Young Adults Facility at Rangeview when the youth in detention are moved to the expanded Banksia Hill site;
- a 30-bed women's unit at Greenough; and
- a new 20-bed workcamp at Dowerin in the Wheatbelt.

In the longer-term, major new facilities will be constructed at:

- the Eastern Goldfields Regional Prison - a new 350-bed prison will be built adjacent to the existing prison - the existing prison will then be demolished; and
- Acacia Prison - an additional 387 beds will be added to the existing facility.

The ongoing maintenance and infrastructure upgrade program across all of the Department's owned and leased facilities has also been a significant issue for the Department. Rapid growth in the prisoner population in 2009 and stabilisation of the higher population level has placed significant pressure on the existing infrastructure. To this extent, \$10.7 million has been provided in 2011-12 to undertake the highest priority works across the prison system.

Other features of the asset investment program are:

- upgrading perimeter security at Greenough, Bandyup and Banksia Hill;
- continuation of the ligature minimisation program and replacement of old bunk beds;
- initiation of the replacement and upgrade of the radio communications system throughout regional Western Australia in partnership with the Western Australia Police and FESA;
- office upgrades for Community and Youth Justice (CYJ) Services; and
- further exploration of potential new prison sites for long-term planning.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
Adult Custodial							
Building Infrastructure and Maintenance - Adult							
Custodial.....	8,726	1,045	1,045	2,140	2,513	363	2,665
Custodial Infrastructure Program - Administered Equity	379,035	3,814	3,484	12,542	94,089	133,069	95,321
Male Prisons - New Young Adults Facility	36,300	17,528	13,737	18,772	-	-	-
West Kimberley Regional Prison	121,956	64,276	45,444	47,680	10,000	-	-
Work Camp - Warburton	15,388	12,427	11,620	2,961	-	-	-
Work Camp - Wheatbelt.....	4,100	1,014	1,000	3,086	-	-	-
Work Camp - Wyndham	9,390	6,147	4,513	3,243	-	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Community and Youth Justice							
Building and Infrastructure and Maintenance.....	1,592	300	300	309	318	328	337
Regional Juvenile Justice Strategy	3,077	1,997	1,103	1,080	-	-	-
Regional Youth Justice Kimberley and Pilbara							
Royalties for Regions ^(a)	600	400	400	200	-	-	-
Corporate							
Physical Infrastructure - Replacement Office Equipment....	3,610	3,410	50	50	50	50	50
System Management - ICT Infrastructure Upgrade.....	16,404	8,064	1,931	1,989	2,049	2,119	2,183
Prison Services							
Additional Prisoner Accommodation - Infrastructure and Systems Upgrade and Replacement Programmes	66,036	42,824	1,600	10,658	4,185	2,869	5,500
Fire and Emergency Services	6,870	4,890	1,877	1,980	-	-	-
Removal of Cell Ligature Points	9,700	5,000	2,485	4,700	-	-	-
Site Acquisition - Prisons - Metro Site Acquisition Prisons	5,209	2,657	1,500	2,552	-	-	-
COMPLETED WORKS							
Adult Custodial							
Double Bunking - 2010-11	3,500	3,500	3,500	-	-	-	-
Fast Tracked Prisoner Accommodation - 670 beds Casuarina, Hakea, Albany and Greenough	65,513	65,513	60,430	-	-	-	-
Community and Youth Justice							
CATS Office Accommodation	597	597	597	-	-	-	-
CJS Office Establishment and Refurbishment 2010-11.....	1,628	1,628	1,628	-	-	-	-
Juvenile Justice							
IT Replacement - Juvenile Offender Management	98	98	98	-	-	-	-
Prison Services - Prison Industries - Mobile Plant 2010-11 ...	800	800	800	-	-	-	-
NEW WORKS							
Adult Custodial							
Community Safety Network.....	4,466	-	-	4,466	-	-	-
Perimeter Obsolescence.....	16,500	-	-	16,500	-	-	-
Regional Workcamp Enhancement Program - Royalties for Regions ^(a)	15,200	-	-	12,200	3,000	-	-
Replacement of Obsolete Bunk Beds	3,073	-	-	3,073	-	-	-
Community and Youth Justice							
CJS Office Establishment and Refurbishment 2011-12.....	1,300	-	-	1,300	-	-	-
CJS Office Establishment and Refurbishment 2012-13.....	1,222	-	-	-	1,222	-	-
CJS Office Establishment and Refurbishment 2013-14.....	785	-	-	-	-	785	-
CJS Office Establishment and Refurbishment 2014-15.....	809	-	-	-	-	-	809
Corporate							
System Management							
DCS IT Systems - Life Extension and Upgrades							
Administered Equity	6,250	-	-	2,095	2,160	1,395	600
Prison Services							
Prison industries - Mobile Plant 2011-12	824	-	-	824	-	-	-
Prison Industries - Mobile Plant 2012-13	849	-	-	-	849	-	-
Prison Industries - Mobile Plant 2013-14	874	-	-	-	-	874	-
Prison Industries - Mobile Plant 2014-15	901	-	-	-	-	-	901
Total Cost of Asset Investment Program.....	813,182	247,929	159,142	154,400	120,435	141,852	108,366
FUNDED BY							
Capital Appropriation.....			125,716	98,316	12,941	338	619
Administered Equity Appropriation			3,484	14,637	96,249	133,464	95,921
Drawdowns from the Holding Account.....			11,430	10,736	7,245	8,050	11,826
Resources received free of charge - BMW.....			1,739	2,299	-	-	-
Internal Funds and Balances.....			16,373	16,012	1,000	-	-
Drawdowns from Royalties for Regions Fund ^(b)			400	12,400	3,000	-	-
Total Funding			159,142	154,400	120,435	141,852	108,366

(a) Capital works funded from the Royalties for Regions Fund.

(b) Regional Infrastructure and Headworks Fund - \$12.2 million (2011-12), \$3.0 million (2012-13), Regional Community Service Fund \$400,000 (2010-11 Estimated Out Turn), \$200,000 (2011-12).

FINANCIAL STATEMENTS**Income Statement***Expenses*

Increases generally relate to salary increase provisions and cost escalation Consumer Price Index (CPI) based provisions in each year of the forward estimates. The specific increase between the 2010-11 Budget and 2010-11 Estimated Actual relates to Government approved increases as outlined in the Major Spending Changes table.

Income

Growth in income forecasts is generally minor and related to increased services associated with an increasing prisoner muster and cost escalation based fee increases.

Statement of Financial Position

Variations in the Balance Sheet non-current assets relate to movements in the capital works programs outlined previously. The specific reduction between 2010-11 Budget and 2010-11 Estimated Actual relates primarily to changes in the timing of delivery of several elements of the Custodial Infrastructure Program.

Statement of Cashflows

Increases in net cash positions generally relate to salary increase provisions and cost escalation CPI based provisions in each year of the forward estimates. The specific increase between the 2010-11 Budget and 2010-11 Estimated Actual payments relates to Government-approved spending changes.

The decrease in capital appropriation and investing activities relates to the realignment of capital works project funding.

INCOME STATEMENT ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	362,769	389,920	388,873	428,237	446,830	458,749	480,807
Grants and subsidies ^(c)	8,003	7,493	8,069	8,344	8,569	9,069	9,069
Supplies and services	190,411	188,614	182,496	190,699	196,076	206,468	223,788
Accommodation	31,003	16,608	26,153	27,044	27,774	29,394	29,933
Depreciation and amortisation	19,129	16,335	21,498	21,653	22,074	25,050	25,219
Other expenses	34,885	31,547	38,542	39,139	39,523	41,221	42,043
TOTAL COST OF SERVICES	646,200	650,517	665,631	715,116	740,846	769,951	810,859
Income							
Sale of goods and services	3,220	3,013	3,247	3,345	3,446	3,549	3,549
Grants and subsidies	606	495	942	879	879	879	879
Other revenue	33,711	31,803	31,279	32,814	33,783	34,684	34,684
Total Income	37,537	35,311	35,468	37,038	38,108	39,112	39,112
NET COST OF SERVICES	608,663	615,206	630,163	678,078	702,738	730,839	771,747
INCOME FROM STATE GOVERNMENT							
Service appropriations	586,026	594,622	604,345	636,213	654,882	677,728	699,129
Resources received free of charge	15,292	13,744	13,744	9,383	7,003	6,985	6,985
Royalties for regions fund ^(d)	-	2,979	2,886	14,469	17,980	18,514	15,674
Other appropriations	-	5,600	4,220	21,439	22,873	27,612	49,959
TOTAL INCOME FROM STATE GOVERNMENT	601,318	616,945	625,195	681,504	702,738	730,839	771,747
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(7,345)	1,739	(4,968)	3,426	-	-	-
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	(7,345)	1,739	(4,968)	3,426	-	-	-

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

(b) The Full Time Equivalents (FTEs) for 2009-10 Actual, 2010-11 Estimated Actual and 2011-12 Estimates are 4,134, 4,340 and 4,429 respectively. In some cases the figures for 2009-10 and 2010-11 may differ from previously published figures due to changes in calculation methodology.

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

(d) Regional Infrastructure and Headworks Fund - \$1.5 million (2011-12), \$4.5 million (2012-13), \$4.5 million (2013-14), \$0.1 million (2014-15), Regional Community Services Fund - \$3.0 million (2010-11), \$2.9 million (2010-11 Estimated Out Turn), \$12.9 million (2011-12), \$13.5 million (2012-13), \$14.0 million (2013-14), \$15.5 million (2014-15).

Details of Controlled Grants and Subsidies

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Prisoner Gratuities Payments	8,003	7,493	8,069	8,344	8,569	9,069	9,069
TOTAL	8,003	7,493	8,069	8,344	8,569	9,069	9,069

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	38,073	18,702	21,701	12,873	13,511	16,149	17,787
Holding account receivables.....	11,430	7,040	10,736	7,245	8,050	11,826	11,826
Receivables	11,714	11,052	11,714	11,714	11,714	11,714	11,714
Other.....	301	473	301	301	301	301	301
Total current assets.....	61,518	37,267	44,452	32,133	33,576	39,990	41,628
NON-CURRENT ASSETS							
Holding account receivables.....	27,130	38,825	35,129	51,937	68,361	83,985	99,778
Property, plant and equipment.....	816,865	731,444	956,039	1,088,263	1,188,313	1,307,952	1,393,681
Intangibles	7,632	8,395	7,932	10,327	12,787	12,000	10,418
Restricted cash.....	5,045	3,552	5,045	5,045	5,045	5,045	5,045
Other.....	14,212	421,375	12,382	10,510	6,361	4,311	3,311
Total non-current assets	870,884	1,203,591	1,016,527	1,166,082	1,280,867	1,413,293	1,512,233
TOTAL ASSETS.....	932,402	1,240,858	1,060,979	1,198,215	1,314,443	1,453,283	1,553,861
CURRENT LIABILITIES							
Employee provisions	56,977	56,559	57,696	58,415	59,134	59,029	59,029
Payables.....	24,489	21,575	26,034	27,625	29,263	30,901	32,539
Other.....	7,581	4,825	7,581	7,581	7,581	7,581	7,581
Total current liabilities	89,047	82,959	91,311	93,621	95,978	97,511	99,149
NON-CURRENT LIABILITIES							
Employee provisions	22,588	24,580	24,269	25,950	27,631	30,136	32,536
Borrowings	8,116	873	8,116	8,116	8,116	8,116	8,116
Other.....	603	567	603	603	603	603	603
Total non-current liabilities	31,307	26,020	32,988	34,669	36,350	38,855	41,255
TOTAL LIABILITIES	120,354	108,979	124,299	128,290	132,328	136,366	140,404
EQUITY							
Contributed equity.....	689,480	934,574	819,080	948,899	1,061,089	1,195,891	1,292,431
Accumulated surplus/(deficit)	(25,683)	(16,271)	(30,651)	(27,225)	(27,225)	(27,225)	(27,225)
Reserves	148,251	213,576	148,251	148,251	148,251	148,251	148,251
Total equity.....	812,048	1,131,879	936,680	1,069,925	1,182,115	1,316,917	1,413,457
TOTAL LIABILITIES AND EQUITY	932,402	1,240,858	1,060,979	1,198,215	1,314,443	1,453,283	1,553,861

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	567,291	575,887	585,610	612,160	630,408	650,278	671,510
Capital appropriation	77,396	176,784	125,716	98,316	12,941	338	619
Holding account drawdowns	11,333	11,430	11,430	10,736	7,245	8,050	11,826
Royalties for regions fund ^(b)	-	2,979	3,286	26,869	20,980	18,514	15,674
Administered appropriations	-	5,600	4,220	21,439	22,873	27,612	49,959
Net cash provided by State Government	656,020	772,680	730,262	769,520	694,447	704,792	749,588
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(384,145)	(386,988)	(385,941)	(425,305)	(443,898)	(455,817)	(477,875)
Grants and subsidies	(8,003)	(7,493)	(8,069)	(8,344)	(8,569)	(9,069)	(9,069)
Supplies and services	(153,779)	(176,853)	(170,492)	(183,598)	(188,991)	(199,368)	(216,681)
Accommodation	(31,003)	(16,608)	(26,153)	(26,257)	(27,037)	(28,657)	(29,196)
Other payments	(57,363)	(59,083)	(66,321)	(68,541)	(69,782)	(71,513)	(72,342)
Receipts							
Grants and subsidies	606	495	942	879	879	879	879
Sale of goods and services	3,220	3,013	3,247	3,345	3,446	3,549	3,549
GST receipts	32,017	28,793	28,793	29,657	30,546	30,546	30,546
Other receipts	34,300	31,803	31,279	32,814	33,783	34,684	34,684
Net cash from operating activities	(564,150)	(582,921)	(592,715)	(645,350)	(669,623)	(694,766)	(735,505)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(83,595)	(260,588)	(157,403)	(152,101)	(120,435)	(141,852)	(108,366)
Proceeds from sale of non-current assets	6	-	-	-	-	-	-
Equity Contribution Receipts	-	69,050	3,484	14,637	96,249	134,464	95,921
Net cash from investing activities	(83,589)	(191,538)	(153,919)	(137,464)	(24,186)	(7,388)	(12,445)
NET INCREASE/(DECREASE) IN CASH HELD	8,281	(1,779)	(16,372)	(13,294)	638	2,638	1,638
Cash assets at the beginning of the reporting period	34,837	24,033	43,118	26,746	17,918	18,556	21,194
Net cash transferred to/from other agencies	-	-	-	4,466	-	-	-
Cash assets at the end of the reporting period	43,118	22,254	26,746	17,918	18,556	21,194	22,832

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

(b) Regional Infrastructure and Headworks Fund - \$13.7 million (2011-12), \$7.5 million (2012-13), \$4.5 million (2013-14), \$0.1 million (2014-15), Regional Community Services Fund - \$3.0 million (2010-11), \$3.3 million (2010-11 Estimated Out Turn), \$13.1 million (2011-12), \$13.5 million (2012-13), \$14.0 million (2013-14), \$15.5 million (2014-15).

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:

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
GST Receipts from Australian Taxation							
Office	29,970	25,316	25,316	26,076	26,858	26,858	26,858
GST Receipts on Sales	2,047	3,477	3,477	3,581	3,688	3,688	3,688
Commonwealth Grants	369	116	586	453	453	453	453
Other Grants Received	238	379	356	426	426	426	426
Proceeds from Prison Canteen Sales	8,023	8,219	8,299	8,548	8,804	8,999	8,999
Proceeds from Recoup of Prisoner Telephone Calls	2,886	3,211	3,143	3,518	3,518	3,518	3,518
Proceeds from Sale of Industry Goods	3,148	2,963	3,247	3,345	3,446	3,549	3,549
Proceeds from Recoup of CS and CS Contracts Costs from Department of the Attorney General	13,638	15,497	14,744	15,796	16,191	16,598	16,598
Proceeds from Recoup of Workers Compensation Payment	4,512	4,169	3,340	4,325	4,325	4,325	4,325
Proceeds from Recoup of Salary Costs	2,378	240	130	240	240	240	240
Proceeds from Recoup of Other Costs	2,935	517	1,623	387	705	1,004	1,004
TOTAL.....	70,143	64,104	64,261	66,695	68,654	69,658	69,658

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

OFFICE OF THE INSPECTOR OF CUSTODIAL SERVICES

PART 16 - MINISTER FOR AGRICULTURE AND FOOD; FORESTRY; CORRECTIVE SERVICES

DIVISION 67

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 100 Net amount appropriated to deliver services.....	2,244	2,764	2,715	2,883	3,065	3,134	3,197
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975.....	191	196	199	212	220	228	236
Total appropriations provided to deliver services.....	2,435	2,960	2,914	3,095	3,285	3,362	3,433
CAPITAL							
Item 158 Capital Appropriation.....	22	91	91	52	-	-	-
TOTAL APPROPRIATIONS	2,457	3,051	3,005	3,147	3,285	3,362	3,433
EXPENSES							
Total Cost of Services.....	2,790	2,959	2,623	3,100	3,291	3,367	3,438
Net Cost of Services ^(a)	2,785	2,954	2,618	3,095	3,286	3,362	3,433
CASH ASSETS ^(b)	33	51	33	37	41	45	49

(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.

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
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.	The Parliament, Minister and other stakeholders are informed on the performance of custodial services.	1. Inspection and Review of Custodial Services

Service Summary

Expense	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
1. Inspection and Review of Custodial Services	2,790	2,959	2,623	3,100	3,291	3,367	3,438
Total Cost of Services.....	2,790	2,959	2,623	3,100	3,291	3,367	3,438

Significant Issues Impacting the Agency

- The commissioning of Pardelup and Warburton prisons, and completion of the Derby Prison, will increase the Office's liaison and inspections responsibilities.
- The increase in prisoner numbers at existing prisons in recent years, and hence the range of issues to deal with, has made inspections and liaison visits more complicated.

Outcomes and Key Effectiveness Indicators ^(a)

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Outcome: The Parliament, Minister and other stakeholders are informed on the performance of custodial services:					
Number of inspection report recommendations.....	76	50	110	50	1
Percentage of recommendations accepted	90%	90%	91%	90%	

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

Explanation of Significant Movements

(Notes)

1. In consultation with the Department of Corrective Services, recommendations are more strategic and less operational in nature. However, the reduction in the 2011-12 Budget Target compared to the 2010-11 Estimated Actual is due to the high number of report recommendations in 2010-11 following the release of the Rangeview and Roebourne Inspection Reports.

Services and Key Efficiency Indicators

1: Inspection and Review of Custodial Services

Inspection of prisons, court custody centres, juvenile detention centres, coordination of the Independent Visitors' Scheme and review of custodial services.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost Of Service.....	\$'000 2,790	\$'000 2,959	\$'000 2,623	\$'000 3,100	1
Less Income.....	5	5	5	5	
Net Cost Of Service	2,785	2,954	2,618	3,095	
Employees (Full Time Equivalents)	16	20	16	20	
Efficiency Indicators					
Average Cost per Inspection Report.....	\$221,000	\$150,000	\$150,000	\$250,000	2
Average Cost per Independent Visitors' Scheme Report.....	\$951	\$900	\$950	\$1,000	
Average Cost per Liaison Visit	\$4,959	\$5,500	\$5,000	\$5,000	
Average Cost per Exit Debrief	\$69,000	\$72,000	\$72,000	\$70,000	
Average Cost per Discussion Paper	\$48,777	\$56,000	\$50,000	\$50,000	
Average Cost per Ministerial Advice	\$4,233	\$5,000	\$5,000	\$5,000	

Explanation of Significant Movements

(Notes)

1. The Total Cost of Service has increased for the 2011-12 Budget Target compared to the 2010-11 Estimated Actual mainly due to the delayed introduction of legislative amendments to enable the commencement of the thematic and individual prisoner audits as part of the Government's response to the Coroner's recommendations relating to the death of Mr Ward.
2. The Average Cost per Inspection Report has increased for the 2011-12 Budget Target compared to the 2010-11 Estimated Actual as a result of only statutory required inspections occurring. In this regard, discretionary activities, such as thematic reports, no longer occur unless specifically directed by the Minister.

ASSET INVESTMENT PROGRAM

To support the delivery of the Office's service, a total of \$64,000 is budgeted to be spent in 2011-12 for the replacement of information technology equipment.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COMPLETED WORKS							
Asset Replacement - Office Equipment	222	222	73	-	-	-	-
Office Fit-Out	30	30	30	-	-	-	-
NEW WORKS							
Asset Replacement							
Office Equipment 2011-12 Program	64	-	-	64	-	-	-
Office Equipment 2012-13 Program	25	-	-	-	25	-	-
Office Equipment 2013-14 Program	26	-	-	-	-	26	-
Office Equipment 2014-15 Program	26	-	-	-	-	-	26
Total Cost of Asset Investment Program.....	393	252	103	64	25	26	26
FUNDED BY							
Capital Appropriation.....			91	52	-	-	-
Drawdowns from the Holding Account.....			12	12	25	26	26
Total Funding			103	64	25	26	26

FINANCIAL STATEMENTS**Income Statement***Expenses*

The estimated increase in the Total Cost of Services of \$477,000 (18.2%) for the 2011-12 Budget Estimate compared to the 2010-11 Estimated Actual relates primarily to the delayed introduction of legislative amendments to enable the commencement of the thematic and individual prisoner audits as part of the Government's response to the Coroner's recommendations relating to the death of Mr Ward.

Statement of Cashflows

The estimated increase in the Net Cash from Operating Activities of \$454,000 (17.6%) for the 2011-12 Budget Estimate compared to the 2010-11 Estimated Actual relates primarily to the commencement of the thematic and individual prisoner audits as part of the Government's response to the Coroner's recommendations relating to the death of Mr Ward.

INCOME STATEMENT ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	2,048	2,063	1,813	2,229	2,287	2,364	2,400
Supplies and services	327	476	365	365	382	385	415
Accommodation	214	271	220	258	340	345	364
Depreciation and amortisation	23	33	33	56	65	56	32
Other expenses	178	116	192	192	217	217	227
TOTAL COST OF SERVICES	2,790	2,959	2,623	3,100	3,291	3,367	3,438
Income							
Other revenue	5	5	5	5	5	5	5
Total Income	5	5	5	5	5	5	5
NET COST OF SERVICES	2,785	2,954	2,618	3,095	3,286	3,362	3,433
INCOME FROM STATE GOVERNMENT							
Service appropriations	2,435	2,960	2,914	3,095	3,285	3,362	3,433
Resources received free of charge	5	-	6	6	6	6	6
TOTAL INCOME FROM STATE GOVERNMENT	2,440	2,960	2,920	3,101	3,291	3,368	3,439
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(345)	6	302	6	5	6	6

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

(b) The Full Time Equivalents (FTEs) for 2009-10 Actual, 2010-11 Estimated Actual and 2011-12 Estimates are 16, 16 and 20 respectively. In some cases the figures for 2009-10 and 2010-11 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	6	51	1	1	1	1	1
Holding account receivables.....	12	12	12	25	26	26	26
Receivables	24	93	24	24	24	24	24
Total current assets.....	42	156	37	50	51	51	51
NON-CURRENT ASSETS							
Holding account receivables.....	72	95	95	128	169	201	209
Property, plant and equipment.....	23	91	98	110	73	46	40
Restricted cash.....	27	-	32	36	40	44	48
Other.....	15	30	10	6	3	-	-
Total non-current assets	137	216	235	280	285	291	297
TOTAL ASSETS.....	179	372	272	330	336	342	348
CURRENT LIABILITIES							
Employee provisions	259	265	267	277	277	277	277
Payables.....	81	65	75	67	68	68	68
Other.....	360	79	58	56	56	56	56
Total current liabilities	700	409	400	400	401	401	401
NON-CURRENT LIABILITIES							
Employee provisions	104	69	104	104	104	104	104
Other.....	3	-	3	3	3	3	3
Total non-current liabilities	107	69	107	107	107	107	107
TOTAL LIABILITIES	807	478	507	507	508	508	508
EQUITY							
Contributed equity.....	121	212	212	264	264	264	264
Accumulated surplus/(deficit)	(675)	(318)	(373)	(367)	(362)	(356)	(350)
Reserves	(63)	-	(63)	(63)	(63)	(63)	(63)
Other.....	(11)	-	(11)	(11)	(11)	(11)	(11)
Total equity.....	(628)	(106)	(235)	(177)	(172)	(166)	(160)
TOTAL LIABILITIES AND EQUITY	179	372	272	330	336	342	348

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	2,401	2,925	2,879	3,037	3,218	3,304	3,399
Capital appropriation	22	91	91	52	-	-	-
Holding account drawdowns	12	12	12	12	25	26	26
Net cash provided by State Government	2,435	3,028	2,982	3,101	3,243	3,330	3,425
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(2,023)	(2,067)	(1,795)	(2,219)	(2,277)	(2,364)	(2,400)
Supplies and services	(278)	(453)	(264)	(269)	(294)	(302)	(342)
Accommodation	(245)	(275)	(278)	(307)	(380)	(375)	(384)
Other payments	(322)	(173)	(289)	(285)	(310)	(306)	(316)
Receipts							
GST receipts	87	42	42	42	42	42	42
Other receipts	48	5	5	5	5	5	5
Net cash from operating activities	(2,733)	(2,921)	(2,579)	(3,033)	(3,214)	(3,300)	(3,395)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(12)	(103)	(103)	(64)	(25)	(26)	(26)
Net cash from investing activities	(12)	(103)	(103)	(64)	(25)	(26)	(26)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings	-	-	(300)	-	-	-	-
Proceeds from borrowings	300	-	-	-	-	-	-
Net cash from financing activities	300	-	(300)	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	(10)	4	-	4	4	4	4
Cash assets at the beginning of the reporting period	43	47	33	33	37	41	45
Cash assets at the end of the reporting period	33	51	33	37	41	45	49

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

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:

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
GST Input Credit.....	87	42	42	42	42	42	42
Other Receipts.....	48	5	5	5	5	5	5
TOTAL.....	135	47	47	47	47	47	47

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

Part 17

Minister for Environment; Water

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2010-11 Budget \$' 000	2010-11 Estimated Actual \$' 000	2011-12 Budget Estimate \$' 000
817	Environment and Conservation			
	- Delivery of Services.....	183,459	171,792	206,640
	- Capital Appropriation.....	3,044	2,844	8,805
	Total	186,503	174,636	215,445
831	Botanic Gardens and Parks Authority			
	- Delivery of Services.....	12,837	12,837	13,249
	- Capital Appropriation.....	2,932	2,932	10,836
	Total	15,769	15,769	24,085
839	Office of the Environmental Protection Authority			
	- Delivery of Services.....	12,230	12,402	14,119
	- Capital Appropriation.....	45	45	104
	Total	12,275	12,447	14,223
846	Swan River Trust			
	- Delivery of Services.....	12,179	12,128	11,249
	Total	12,179	12,128	11,249
855	Zoological Parks Authority			
	- Delivery of Services.....	9,933	9,933	10,385
	- Capital Appropriation.....	735	735	735
	Total	10,668	10,668	11,120

Part 17

Minister for Environment; Water

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2010-11 Budget \$' 000	2010-11 Estimated Actual \$' 000	2011-12 Budget Estimate \$' 000
863	Water			
	- Delivery of Services.....	73,403	72,493	74,347
	- Administered Grants, Subsidies and Other Transfer Payments.....	1,376	1,388	605
	- Capital Appropriation.....	7,050	3,625	2,791
	Total	81,829	77,506	77,743
	GRAND TOTAL			
	- Delivery of Services.....	304,041	291,585	329,989
	- Administered Grants, Subsidies and Other Transfer Payments.....	1,376	1,388	605
	- Capital Appropriation.....	13,806	10,181	23,271
	Total.....	319,223	303,154	353,865

ENVIRONMENT AND CONSERVATION

PART 17 - MINISTER FOR ENVIRONMENT; WATER

DIVISION 68

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2009-10 Actual ^(a) \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 101 Net amount appropriated to deliver services.....	206,079	182,744	171,077	205,892	198,902	196,685	199,530
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975.....	691	715	715	748	771	795	821
Total appropriations provided to deliver services.....	206,770	183,459	171,792	206,640	199,673	197,480	200,351
CAPITAL							
Item 159 Capital Appropriation.....	11,577	3,044	2,844	8,805	2,081	1,362	789
TOTAL APPROPRIATIONS	218,347	186,503	174,636	215,445	201,754	198,842	201,140
EXPENSES							
Total Cost of Services	312,802	319,702	317,352	349,152	347,128	344,850	345,175
Net Cost of Services ^(b)	190,631	180,174	173,604	205,104	201,868	199,655	201,451
CASH ASSETS ^(c)	76,642	77,884	71,346	75,446	75,651	76,076	76,076

- (a) Responsibility for Environment Impact Assessment and Policies Service was transferred to the Office of the Environmental Protection Authority on 27 November 2009. To ensure across-year comparability, the related estimated amounts have been excluded from the Department's 2011-12 Budget Statements.
- (b) 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.
- (c) As at 30 June each financial year.

MAJOR SPENDING CHANGES

Details of major decisions impacting on the agency's Income Statement since publication of the 2010-11 Budget to Parliament on 20 May 2010 are outlined below.

	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Kimberley Science and Conservation Strategy - Establishment and Management of Camden Sound and Eighty Mile Beach Marine Parks.....	-	1,185	1,531	1,531	1,500
Kimberley Science and Conservation Strategy - Expanding Partnerships in the Kimberley.....	-	1,547	1,886	2,531	3,000
Royalties for Regions - Establishment and Management of Capes and Dampier Marine Parks.....	-	2,600	3,100	3,300	2,000
Threatened Species: 15 Saved by 2015	-	250	250	250	250
Turning the Tide with Phytophthora Dieback	-	250	250	250	250
Yawuru Native Title Agreement	5,800	1,928	1,958	1,988	-

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
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.	Conservation and sustainable utilisation of biodiversity.	1. Nature Conservation 2. Sustainable Forest Management
	Community enjoyment of park facilities and services, wildlife and the natural environment displayed in parks.	3. Parks and Visitor Services
	Emissions and discharges meet acceptable criteria.	4. Environmental Regulation
	Adoption of environmentally sustainable practices to protect, manage and restore the State's natural resources.	5. Environmental Sustainability 6. Coordinate the Response to Climate Change

Service Summary

Expense	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
1. Nature Conservation.....	119,706	131,451	131,699	145,365	150,648	151,882	153,357
2. Sustainable Forest Management.....	46,360	48,286	48,741	50,021	50,909	52,040	52,692
3. Parks and Visitor Services.....	78,952	72,828	76,009	77,827	81,997	80,582	79,116
4. Environmental Regulation.....	39,660	38,111	36,183	39,283	38,971	40,379	41,048
5. Environmental Sustainability	23,115	17,143	17,157	17,441	17,621	17,735	17,898
6. Coordinate the Response to Climate Change.....	5,009	11,883	7,563	19,215	6,982	2,232	1,064
Total Cost of Services.....	312,802	319,702	317,352	349,152	347,128	344,850	345,175

Significant Issues Impacting the Agency

- Western Australia has a rich and diverse natural environment that faces constant threats and complex challenges including pest animals, weeds, dieback, salinity, altered fire regimes, habitat loss and climate change. Action to address these threats will continue, with a particular focus on the conservation of threatened plants, animals and ecological communities and reducing the impacts of phytophthora dieback in the Fitzgerald River National Park.
- Implementation of initiatives under the Kimberley Science and Conservation Strategy will be progressed across the portfolios of Environment, Fisheries and Science and Innovation, namely through establishment of two new marine parks in Camden Sound and at Eighty Mile Beach. These will see an increase in the area of marine parks and reserves from 1.5 million hectares to more than 2.4 million hectares, the biggest marine parks initiative in the State's history. The creation of a conservation reserve corridor linking Prince Regent and Drysdale River national parks, creation of island conservation reserves will ensure the protection of the unique values of the far north of our State. Not only will this contribute to conservation of our environment, it will also open opportunities for sustainable nature-based tourism.
- The Kimberley Science and Conservation Strategy will deliver these landscape conservation initiatives in partnership with landholders, pastoralists and non-government organisations. Partnerships with traditional owners will also enable essential employment of Indigenous people in managing and caring for the Kimberley and its marine and terrestrial environment.
- New marine parks will be established in the Capes area between Busselton and Augusta and in the Dampier Archipelago.
- Planning for new marine parks in the north Kimberley and Roebuck Bay will be a priority.
- Implementation of the Biodiversity and Cultural Conservation Strategy for the Great Western Woodlands will advance the protection and sustainable use of this important natural area.
- The Department will further strengthen and expand its partnership approach to managing the State's terrestrial and marine parks with volunteers, private conservation organisations, Indigenous communities and the private sector. Parks will continue to be a cornerstone of nature protection as well as being highly significant for recreation and tourism. Providing people with access to our parks is critical if the public is to increase their awareness of our natural areas.
- The State's forests will continue to be managed to conserve the plants and animals they contain, to protect water catchments, for recreation, for a sustainable timber industry, for mining and for other public uses. This will be done under the framework of the Forest Management Plan 2004-2013. Further research and monitoring will be conducted and preparation of a draft Forest Management Plan 2014-2023 will be progressed.
- The Department will continue to undertake an active fire management program in an increasingly complex operating environment exacerbated by drying conditions and will place a priority on achieving its annual target for prescribed burning in the South West of the State. The fire-fighting fleet will be expanded.
- Industrial and land development activity is expected to continue to increase with economic growth. Increased demands on the Department for regulation and development approvals are expected and a tight labour market presents a challenge in retaining a skilled workforce to respond to these demands. The Department is implementing regulatory reforms and improved processes to manage these trends.
- There is a community focus on ambient air quality monitoring and management in the Perth metropolitan area and industrialised regional centres.
- The development of national and international responses to climate change continues. The Department is developing a Climate Change Adaptation and Mitigation Strategy for Western Australia.
- The amount of waste deposited in landfill is expected to reduce as a result of the significant increase in the landfill levy that occurred from 1 January 2010. However, this is likely to be offset to some extent by an increase in waste due to economic growth.

Outcomes and Key Effectiveness Indicators ^(a)

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Outcome: Conservation and sustainable utilisation of biodiversity:					
Total number of listed threatened taxa and ecological communities	703	711	711	739	
Number of threatened taxa and ecological communities with improved conservation status	4	3	3	0	1
Number of threatened taxa and ecological communities with declining conservation status	2	2	2	3	
Proportion of critically endangered and endangered taxa and ecological communities that have a recovery plan.....	66%	70%	68%	70%	
Proportion of terrestrial sub-bioregions with greater than 15% reservation	20.4%	20.4%	20.4%	20.4%	
Proportion of marine bioregions with marine conservation reserves.....	42.1%	47.3%	47.3%	63.2%	2
Percentage of Forest Management Plan performance indicators where defined annual targets are met	80%	78%	81%	81%	
Outcome: Community enjoyment of park facilities and services, wildlife and the natural environment displayed in parks:					
Average level of visitor satisfaction with their visit	87.2%	85%	86%	85%	
Park visitation (annual number of visits).....	14,614,117	15,422,000	15,422,000	16,085,146	
Annual percentage change in park visitation	3.1%	4.3%	4.3%	4.3%	3
Outcome: Emissions and discharges meet acceptable criteria:					
Number of exceedences of approved environment criteria by regulated activities	30	50	36	38	4
Number of air National Environment Protection Measure (NEPM) exceedences per annum of criteria pollutants	25	24	35	35	5
Outcome: Adoption of environmentally sustainable practices to protect, manage and restore the State's natural resources:					
Percentage of waste in the metropolitan area diverted from landfill through recycling.....	34%	45%	40.6%	45%	
Percentage of Low Emissions Energy Development (LEED) Fund milestones achieved within the targeted timeframe.....	80%	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. The improvement in conservation status requires the species or community pass threshold levels set using international criteria. While the recovery of many species is continuing, no species or communities are expected to meet threshold levels in 2011-12.
2. The proportion will increase as a number of new marine parks are expected to be established in 2011-12.
3. The percentage growth of 4.3% is based on a 10 year rolling average of visitors.
4. Industry compliance has improved and estimates for the 2010-11 Estimated Actual and 2011-12 Budget Target have been adjusted to reflect this.
5. The increase from the 2010-11 Budget is due to fires in the South West contributing to increased particle levels throughout the region.

Services and Key Efficiency Indicators

1: Nature Conservation

The development and implementation of programs for the conservation of biodiversity including the variety of life forms: the different plants, animals and microorganisms, the genes they contain, and the ecosystems they form.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 119,706	\$'000 131,451	\$'000 131,699	\$'000 145,365	1
Less Income.....	39,547	44,712	46,595	47,524	
Net Cost of Service	80,159	86,739	85,104	97,841	
Employees (Full Time Equivalents)	850	847	879	892	2
Efficiency Indicators					
Average Cost per Hectare of Managing Wildlife Habitat.....	\$4.35	\$4.76	\$4.77	\$5.25	

Explanation of Significant Movements

(Notes)

1. The increase in costs from 2010-11 Estimated Actual to 2011-12 Budget Target is a combination of new funding initiatives, cost escalation and project recashflowing.
2. The calculation methodology used for the 2010-11 Budget has been refined, in addition new funding initiatives increases FTEs for 2011-12 Budget Target.

2: Sustainable Forest Management

The provision of economic, social and cultural benefits from State forest and timber reserves while conserving biodiversity, maintaining soil and water values and sustaining the health, vitality and productive capacity of the forest for current and future generations.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 46,360	\$'000 48,286	\$'000 48,741	\$'000 50,021	
Less Income.....	10,589	8,973	8,973	9,053	
Net Cost of Service	35,771	39,313	39,768	40,968	
Employees (Full Time Equivalents)	244	329	250	250	1
Efficiency Indicators					
Average Cost per Hectare of Managing State Forest and Timber Reserves	\$35.73	\$37.21	\$37.56	\$38.55	

Explanation of Significant Movements

(Notes)

1. The calculation methodology used for the 2010-11 Budget has been refined.

3: Parks and Visitor Services

Management of lands and waters; dealing with public involvement, visitation and appreciation of the natural environment on lands and waters managed by the Department.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	78,952	72,828	76,009	77,827	
Less Income	25,642	20,734	25,486	23,581	
Net Cost of Service	53,310	52,094	50,523	54,246	
Employees (Full Time Equivalents)	436	449	455	463	
Efficiency Indicators					
Cost per Visit	\$5.40	\$4.72	\$4.92	\$4.83	

4: Environmental Regulation

Regulate emissions and discharges to the environment and the transport of hazardous wastes. Regulate the investigation, classifications and management of contaminated sites.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	39,660	38,111	36,183	39,283	
Less Income	19,513	18,499	20,566	21,262	
Net Cost of Service	20,147	19,612	15,617	18,021	
Employees (Full Time Equivalents)	262	255	272	275	
Efficiency Indicators					
Average Cost per Air Monitoring Station	\$418,500	\$363,288	\$456,860	\$478,338	1
Average Cost per Industry Licence	\$23,638	\$15,691	\$23,089	\$23,971	2
Average Cost per Contaminated Site Assessment	\$6,011	\$9,002	\$3,633	\$5,051	3
Average Cost of Remediating State Sites	\$626,000	\$1,063,728	\$278,646	\$496,035	4

Explanation of Significant Movements

(Notes)

1. The 2010-11 Estimated Actual and 2011-12 Budget Target average cost per air monitoring station is expected to increase from the 2010-11 Budget as the Yarloop (December 2009), Cookernup (December 2009) and Gosnells (September 2009) monitoring stations were closed down at the conclusion of their respective study periods. The number of staff required to maintain the remaining network remains the same.
2. The allocation basis within this service has been refined for calculation of the 2010-11 Estimated Actual and the 2011-12 Budget Target to provide a more representative base and consistency with the internal budget apportionment.
3. The anticipated increase in the number of contaminated sites requiring assessment in 2010-11 was not realised and the funding has been deferred to 2011-12 and the outyears.
4. The Budget for 2010-11 included provision for the second stage of remediation at the former Waste Control site in Bellevue. Although work to select an appropriate remedial technology is progressing, the remediation costs are now expected to be incurred in 2011-12.

5: Environmental Sustainability

Develop and implement policies and strategies that promote environmentally sustainable practices in industry, government and the community.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	23,115	17,143	17,157	17,441	
Less Income	26,843	46,600	42,100	42,600	1
Net Cost of Service	(3,728)	(29,457)	(24,943)	(25,159)	
Employees (Full Time Equivalents)	65	64	64	65	
Efficiency Indicators					
Cost of Administering Waste Avoidance and Resource Recovery Account as a Percentage of Total Funds	6.1%	6.0%	6.0%	6.0%	

Explanation of Significant Movements

(Notes)

1. A determination under Section 79 (3A) of the *Waste Avoidance and Resource Recovery Act 2007* has been made that an amount of \$10.5 million from the forecast levy amount of \$42.0 million shall be credited to the Waste Avoidance and Resource Recovery Account in 2011-12. This amount is reflected in the Income for this Service.

6: Coordinate the Response to Climate Change

To provide leadership in the development and implementation of strategies to reduce greenhouse gas emissions and adaptation initiatives to reduce the impact of climate change for Western Australia.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	5,009	11,883	7,563	19,215	1
Less Income	37	10	28	28	
Net Cost of Service	4,972	11,873	7,535	19,187	
Employees (Full Time Equivalents)	21	21	20	20	
Efficiency Indicators					
Cost of Administering LEED Fund as a Percentage of Total Funds	0.49%	0.48%	0.52%	0.52%	

Explanation of Significant Movements

(Notes)

1. Grant payments of \$7.0 million from the LEED Fund have been recashflowed from 2010-11.

ASSET INVESTMENT PROGRAM

The Department is to receive an injection of \$7.6 million in 2011-12 for Kimberley tourism initiatives and additional fire fighting capacity. In addition, the Department will receive \$1.0 million over three years for the establishment of Camden Sound and Eighty Mile Beach Marine Park and \$0.5 million over two years for Pathways Regional Parks.

The Department will continue with its investment in conservation land acquisition, fire fighting fleet replacement, park improvement program, plant and equipment and tourism road improvements program to conserve natural areas, provide protection for surrounding communities and to provide opportunities for sustainable nature-based tourism.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
Conservation Parks Infrastructure and Roads ^(a)	20,000	2,500	2,500	7,500	5,000	5,000	-
Kimberley Conservation Strategy	2,700	1,000	1,000	1,700	-	-	-
COMPLETED WORKS							
Conservation Land Acquisition - 2010-11 Program	980	980	980	-	-	-	-
Fire Fighting Fleet Replacement - 2010-11 Program	2,495	2,495	2,495	-	-	-	-
Ord New Parks Infrastructure.....	562	562	400	-	-	-	-
Park Improvement Program							
2010-11 Program	6,100	6,100	6,100	-	-	-	-
Gnangara Park Development 2010-11 Program	250	250	250	-	-	-	-
Plant and Equipment - 2010-11 Program	4,735	4,735	4,735	-	-	-	-
Tourism Road Improvement Program - 2010-11 Program.....	3,050	3,050	3,050	-	-	-	-
Western Australian Conservation Science Centre	30,941	30,941	3,467	-	-	-	-
NEW WORKS							
Conservation Land Acquisition							
2011-12 Program	250	-	-	250	-	-	-
2012-13 Program	260	-	-	-	260	-	-
2013-14 Program	270	-	-	-	-	270	-
2014-15 Program	280	-	-	-	-	-	280
Fire Fighting Fleet Replacement							
2011-12 Program	6,880	-	-	6,880	-	-	-
2012-13 Program	2,000	-	-	-	2,000	-	-
2013-14 Program	2,000	-	-	-	-	2,000	-
2014-15 Program	2,000	-	-	-	-	-	2,000
Great Western Woodlands.....	800	-	-	300	500	-	-
Kimberley Tourism Initiatives ^(a)	2,715	-	-	2,715	-	-	-
Park Improvement Program							
2011-12 Program	6,300	-	-	6,300	-	-	-
2012-13 Program	6,400	-	-	-	6,400	-	-
2013-14 Program	6,500	-	-	-	-	6,500	-
2014-15 Program	6,600	-	-	-	-	-	6,600
Camden Sound and Eighty Mile Beach Marine Park	1,040	-	-	320	360	360	-
Gnangara Park Development 2011-12 Program	400	-	-	400	-	-	-
Gnangara Park Development 2012-13 Program	400	-	-	-	400	-	-
Gnangara Park Development 2013-14 Program	400	-	-	-	-	400	-
Gnangara Park Development 2014-15 Program	400	-	-	-	-	-	400
Pathways Regional Parks	1,000	-	-	500	500	-	-
Plant and Equipment							
2011-12 Program	5,104	-	-	5,104	-	-	-
2012-13 Program	5,373	-	-	-	5,373	-	-
2013-14 Program	5,494	-	-	-	-	5,494	-
2014-15 Program	5,813	-	-	-	-	-	5,813
Tourism Road Improvement Program							
2011-12 Program	3,150	-	-	3,150	-	-	-
2012-13 Program	3,200	-	-	-	3,200	-	-
2013-14 Program	3,250	-	-	-	-	3,250	-
2014-15 Program	3,300	-	-	-	-	-	3,300
Total Cost of Asset Investment Program.....	153,392	52,613	24,977	35,119	23,993	23,274	18,393

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
FUNDED BY							
Capital Appropriation.....			2,844	8,805	2,081	1,362	789
Asset Sales			878	644	500	500	500
Drawdowns from the Holding Account.....			12,871	13,569	13,862	13,862	14,354
Internal Funds and Balances.....			5,884	1,886	2,550	2,550	2,750
Drawdowns from Royalties for Regions Fund ^(a)			2,500	10,215	5,000	5,000	-
Total Funding			24,977	35,119	23,993	23,274	18,393

(a) Regional Infrastructure Headworks Fund.

FINANCIAL STATEMENTS

Income Statement

Expenses

The Income Statement shows an increase in Total Cost of Services of \$31.8 million in 2011-12 compared to the 2010-11 Estimated Actual. This is principally due to an increase of \$18.5 million in budgeted payments for grants and subsidies, of which \$13.3 million relates to grants from the LEED Fund and \$4.6 million relates to grants from the Waste Avoidance and Resource Recovery Account, together with an increase in employee and operational costs reflecting the implementation of a range of new initiatives funded in the 2011-12 Budget.

Statement of Financial Position

The most significant asset on the Department's balance sheet is land held for conservation and multiple uses, reported within the category 'Property, plant and equipment'. Land holdings are valued each year across government. Restricted cash of \$64.2 million is expected to be held at 30 June 2012 and represents the majority of the Department's cash holdings.

Statement of Cashflows

In 2011-12, net cash provided by the State Government is budgeted to increase by \$50.8 million to \$221.4 million compared to the 2010-11 Estimated Actual of \$170.6 million. \$22.3 million of the increase reflects the recashflowing of budgets from 2010-11. Significant levels of new funding are also being provided to implement the Kimberley Science and Conservation Strategy and for a number of other conservation and related initiatives.

INCOME STATEMENT ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	173,840	175,391	178,345	189,849	199,286	207,895	209,453
Grants and subsidies ^(c)	19,217	23,150	13,928	32,401	18,727	12,383	11,388
Supplies and services	73,827	77,381	81,248	82,058	83,816	77,964	77,777
Accommodation	6,641	6,350	6,350	6,520	6,670	6,845	6,845
Depreciation and amortisation	20,113	19,650	19,650	20,150	20,150	20,150	20,150
Other expenses	19,164	17,780	17,831	18,174	18,479	19,613	19,562
TOTAL COST OF SERVICES	312,802	319,702	317,352	349,152	347,128	344,850	345,175
Income							
Sale of goods and services	17,708	18,103	18,103	18,803	19,531	20,031	20,531
Regulatory fees and fines	17,576	17,091	18,011	18,707	19,432	19,988	20,005
Grants and subsidies	36,870	32,803	38,603	34,881	35,084	33,689	31,701
Other revenue	50,017	71,531	69,031	71,657	71,213	71,487	71,487
Total Income	122,171	139,528	143,748	144,048	145,260	145,195	143,724
NET COST OF SERVICES	190,631	180,174	173,604	205,104	201,868	199,655	201,451
INCOME FROM STATE GOVERNMENT							
Service appropriations	206,770	183,459	171,792	206,640	199,673	197,480	200,351
Resources received free of charge	1,584	1,578	1,578	1,578	1,578	1,578	1,578
Royalties for regions fund ^(d)	-	-	550	2,600	3,100	3,300	2,000
TOTAL INCOME FROM STATE GOVERNMENT	208,354	185,037	173,920	210,818	204,351	202,358	203,929
SURPLUS/(DEFICIENCY) FOR THE PERIOD	17,723	4,863	316	5,714	2,483	2,703	2,478
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	17,723	4,863	316	5,714	2,483	2,703	2,478

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

(b) The Full Time Equivalents (FTEs) for 2009-10 Actual, 2010-11 Estimated Actual and 2011-12 Budget Estimate are 1,878, 1,940 and 1,965 respectively. In some cases the figures for 2009-10 and 2010-11 may differ from previously published figures due to changes in calculation methodology.

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

(d) Regional Community Services Fund - \$0 (2009-10), \$0 (2010-11), \$0.6 million (2010-11 Estimated Actual), \$2.6 million (2011-12), \$3.1 million (2012-13), \$3.3 million (2013-14), \$2.0 million (2014-15).

Details of Controlled Grants and Subsidies

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Conservation Council.....	90	90	90	-	-	-	-
Contaminated Sites Management Account							
Grants	3,830	4,100	2,570	2,975	1,125	1,125	1,125
Environmental Community Grants Program	1,475	1,530	1,480	1,580	1,530	-	-
Kimberley Science and Conservation Strategy ...	-	-	425	872	786	781	1,000
Kimberley Toad Busters.....	310	300	311	300	-	-	-
LEED Fund	1,211	8,130	4,089	17,370	5,993	1,214	-
Other	911	-	568	304	293	263	263
Waste Avoidance and Resource Recovery							
Account	11,390	9,000	4,395	9,000	9,000	9,000	9,000
TOTAL.....	19,217	23,150	13,928	32,401	18,727	12,383	11,388

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	9,906	8,863	3,895	7,510	6,910	6,110	5,210
Restricted cash.....	64,015	65,963	64,250	64,235	64,440	64,865	70,866
Holding account receivables.....	12,871	13,569	13,569	13,862	13,862	14,354	-
Receivables	14,688	15,755	14,688	14,688	14,688	14,688	14,688
Other.....	13,903	5,031	12,393	12,393	12,393	12,393	12,393
Total current assets.....	115,383	109,181	108,795	112,688	112,293	112,410	103,157
NON-CURRENT ASSETS							
Holding account receivables.....	71,759	78,670	78,163	84,774	91,385	97,504	117,977
Property, plant and equipment.....	4,606,725	4,647,914	4,611,174	4,625,499	4,628,842	4,631,466	4,629,209
Restricted cash.....	2,721	3,058	3,201	3,701	4,301	5,101	-
Other.....	-	830	-	-	-	-	-
Total non-current assets	4,681,205	4,730,472	4,692,538	4,713,974	4,724,528	4,734,071	4,747,186
TOTAL ASSETS.....	4,796,588	4,839,653	4,801,333	4,826,662	4,836,821	4,846,481	4,850,343
CURRENT LIABILITIES							
Employee provisions	27,022	27,655	27,228	27,434	27,640	27,846	28,052
Payables.....	6,779	8,268	6,779	6,779	6,779	6,779	6,779
Other.....	7,604	7,232	7,834	8,064	8,294	8,524	8,754
Total current liabilities	41,405	43,155	41,841	42,277	42,713	43,149	43,585
NON-CURRENT LIABILITIES							
Employee provisions	14,039	14,043	14,198	14,357	14,516	14,675	14,834
Total non-current liabilities	14,039	14,043	14,198	14,357	14,516	14,675	14,834
TOTAL LIABILITIES	55,444	57,198	56,039	56,634	57,229	57,824	58,419
EQUITY							
Contributed equity.....	2,839,810	2,841,997	2,845,154	2,864,174	2,871,255	2,877,617	2,878,406
Accumulated surplus/(deficit)	44,823	39,132	44,823	50,537	53,020	55,723	58,201
Reserves	1,856,511	1,901,326	1,856,511	1,856,511	1,856,511	1,856,511	1,856,511
Total equity.....	4,741,144	4,782,455	4,746,488	4,771,222	4,780,786	4,789,851	4,793,118
TOTAL LIABILITIES AND EQUITY	4,796,588	4,839,653	4,802,527	4,827,856	4,838,015	4,847,675	4,851,537

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	187,269	163,486	151,819	186,167	179,200	177,007	179,878
Capital appropriation.....	11,577	3,044	2,844	8,805	2,081	1,362	789
Holding account drawdowns.....	14,169	12,871	12,871	13,569	13,862	13,862	14,354
Royalties for regions fund ^(b)	-	5,000	3,050	12,815	8,100	8,300	2,000
Net cash provided by State Government.....	213,015	184,401	170,584	221,356	203,243	200,531	197,021
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(171,121)	(174,796)	(177,750)	(189,254)	(198,691)	(207,300)	(208,858)
Grants and subsidies.....	(21,939)	(23,150)	(13,928)	(32,401)	(18,727)	(12,383)	(11,388)
Supplies and services.....	(61,007)	(65,008)	(68,875)	(69,485)	(71,043)	(64,991)	(64,804)
Accommodation.....	(6,597)	(6,350)	(6,350)	(6,520)	(6,670)	(6,845)	(6,845)
Other payments.....	(45,341)	(42,775)	(42,826)	(43,519)	(44,174)	(45,508)	(45,457)
Receipts							
Regulatory fees and fines.....	16,462	17,091	18,011	18,707	19,432	19,988	20,005
Grants and subsidies.....	37,735	32,803	38,603	34,881	35,084	33,689	31,701
Sale of goods and services.....	17,778	18,103	18,103	18,803	19,531	20,031	20,531
GST receipts.....	14,354	14,200	14,200	14,350	14,500	14,500	14,500
Other receipts.....	43,117	71,531	69,031	71,657	71,213	71,487	71,487
Net cash from operating activities.....	(176,559)	(158,351)	(151,781)	(182,781)	(179,545)	(177,332)	(179,128)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(29,843)	(24,910)	(24,977)	(35,119)	(23,993)	(23,274)	(18,393)
Proceeds from sale of non-current assets.....	1,396	878	878	644	500	500	500
Net cash from investing activities.....	(28,447)	(24,032)	(24,099)	(34,475)	(23,493)	(22,774)	(17,893)
NET INCREASE/(DECREASE) IN CASH HELD.....	8,009	2,018	(5,296)	4,100	205	425	-
Cash assets at the beginning of the reporting period.....	69,891	75,866	76,642	71,346	75,446	75,651	76,076
Net cash transferred to/from other agencies.....	(1,258)	-	-	-	-	-	-
Cash assets at the end of the reporting period.....	76,642	77,884	71,346	75,446	75,651	76,076	76,076

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

(b) Regional Infrastructure and Headworks Fund - \$0 (2009-10), \$5.0 million (2010-11), \$2.5 million (2010-11 Estimated Actual), \$10.2 million (2011-12), \$5.0 million (2012-13), \$5.0 million (2013-14), \$0 (2014-15), Regional Community Services Fund - \$0 (2009-10), \$0 (2010-11), \$0.6 million (2010-11 Estimated Actual), \$2.6 million (2011-12), \$3.1 million (2012-13), \$3.3 million (2013-14), \$2.0 million (2014-15).

DETAILS OF ADMINISTERED TRANSACTIONS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
INCOME							
Royalties							
Fauna Royalties	49	110	110	110	110	110	110
Fines							
Receipts from Regulatory Fees and Fines	84	60	60	60	60	60	60
TOTAL INCOME	133	170	170	170	170	170	170
EXPENSES							
Other							
Receipts paid into Consolidated Account	133	170	170	170	170	170	170
TOTAL EXPENSES	133	170	170	170	170	170	170

AGENCY SPECIAL PURPOSE ACCOUNT DETAILS**Contaminated Sites Management Account**

The purpose of the special purpose account is to enable investigation or remediation of any site where the State or a public authority (excluding Local Government) is responsible for remediation.

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000
Opening Balance	4,906	3,908	5,702	3,961
Receipts:				
Appropriations	5,097	907	309	309
Other	368	307	520	430
	10,371	5,122	6,531	4,700
Payments	4,669	4,100	2,570	2,975
CLOSING BALANCE	5,702	1,022	3,961	1,725

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:

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Grants and Subsidies	37,735	32,803	38,603	34,881	35,084	33,689	31,701
GST Input Credits	8,764	8,600	8,600	8,650	8,700	8,700	8,700
GST Receipts on Sales	5,590	5,600	5,600	5,700	5,800	5,800	5,800
Interest Received	2,599	3,718	3,718	3,728	3,738	3,738	3,738
Landfill Levy	24,000	44,000	41,500	42,000	39,000	36,000	36,000
Other Receipts	16,518	23,813	23,813	25,929	28,475	31,749	31,749
Proceeds from the Sale of Real Property	1,396	878	878	644	500	500	500
Receipts from Sale of Goods and Services	17,778	18,103	18,103	18,803	19,531	20,031	20,531
Regulatory Fees	16,462	17,091	18,011	18,707	19,432	19,988	20,005
TOTAL	130,842	154,606	158,826	159,042	160,260	160,195	158,724

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

BOTANIC GARDENS AND PARKS AUTHORITY

PART 17 - MINISTER FOR ENVIRONMENT; WATER

DIVISION 69

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 102 Net amount appropriated to deliver services.....	12,724	12,650	12,650	13,044	13,323	13,814	14,151
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975.....	179	187	187	205	213	220	228
Total appropriations provided to deliver services.....	12,903	12,837	12,837	13,249	13,536	14,034	14,379
CAPITAL							
Item 160 Capital Appropriation.....	585	2,932	2,932	10,836	-	-	-
TOTAL APPROPRIATIONS	13,488	15,769	15,769	24,085	13,536	14,034	14,379
EXPENSES							
Total Cost of Services	24,466	16,056	21,028	19,174	19,229	19,580	20,093
Net Cost of Services ^(a)	15,492	11,772	13,012	13,515	14,140	14,601	15,028
CASH ASSETS ^(b)	7,291	4,546	6,855	6,187	6,215	6,511	5,882

- (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.

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
Results-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	Awareness and appreciation of recreation and tourist resources, and cultural heritage for visitors' enjoyment.	1. Customer Service and Cultural Heritage
	Conservation and enhancement of Western Australia's bushland and other flora.	2. Biodiversity Conservation and Scientific Research

Service Summary

Expense	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
1. Customer Service and Cultural Heritage	14,522	8,460	11,606	9,694	9,722	9,900	10,159
2. Biodiversity Conservation and Scientific Research	9,944	7,596	9,422	9,480	9,507	9,680	9,934
Total Cost of Services.....	24,466	16,056	21,028	19,174	19,229	19,580	20,093

Significant Issues Impacting the Agency

- Kings Park and Botanic Garden remains the State's single most visited tourist destination, with 5.85 million visits in 2009-10. A high level of visitation in Kings Park and Botanic Garden continues to apply pressure on existing operations and infrastructure, requiring ongoing upgrades and review.
- A key focus remains on the conservation and enhancement of bushland in Bold Park and Kings Park to achieve environmental targets, with essential fire management and risk mitigation works continuing. In order to conserve native biodiversity and provide appropriate and safe visitor access, facilities and interpretation for the community, ongoing management activity includes ecological restoration and monitoring, weed control, tree management, and essential asset maintenance.
- Scientific research underpins adaptive management of the Authority's designated lands and assists in regional biodiversity and restoration projects. This is undertaken with government funding and through fee for service arrangements.
- Construction is underway for the expansion of the Fraser's complex at Kings Park to meet requirements for the Commonwealth Heads of Government Meeting (CHOGM) Leaders' Retreat in October 2011.
- Environmental education will be significantly enhanced in Kings Park in the next year with the completion of Stage 1 of the new Rio Tinto Naturescape project. Construction is underway with a planned opening in late 2011. This \$8.5 million project is entirely funded through sponsorship and will create a world class environmental discovery and learning experience enabling children to connect with nature.

Outcomes and Key Effectiveness Indicators ^(a)

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Outcome: Awareness and appreciation of recreation and tourist resources, and cultural heritage for visitors' enjoyment:					
Level of visitor satisfaction with Kings Park and Botanic Garden facilities and the Western Australian Botanic Garden	99%	99%	99%	99%	
Level of visitor satisfaction with Bold Park and facilities	99%	97%	97%	97%	
Change in the number of cultural events held at Kings Park and Botanic Garden compared to previous year	6.5%	2%	25%	-7%	1
Change in the number attending customer awareness and education forums held at Kings Park and Botanic Garden compared to previous year	16%	0%	6%	2%	
Outcome: Conservation and enhancement of Western Australia's bushland and other flora:					
Percentage of Declared Rare Flora (DRF) species in living collections in Kings Park and Botanic Garden, compared to the known number of DRF species in Western Australia	63%	62%	63%	63%	
Percentage of accessions in living collections in Kings Park and Botanic Garden	37%	38%	37%	37%	

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Percentage of accessions lost in living collections in Kings Park and Botanic Garden.....	5%	5%	5%	5%	
Presence of 15 nominated perennially evident native plant species, which are the most vulnerable taxa within each of Kings Park and Bold Park bushland	100%	100%	100%	100%	
Number of common native plant species in Bold Park in areas with high levels of management compared to areas with low levels of management.....	1.5	1.5	1.5	1.5	
Weed cover in high intensity management areas compared to low intensity management areas in Bold Park	0.59	0.50	0.30	0.30	2
Number of representative native plant taxa in Kings Park bushland	324	324	324	324	
Number of representative native plant taxa in Bold Park bushland.....	310	310	310	310	

(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 actual number of events for the 2009-10 year was 246. It is estimated that 308 events will be held in 2010-11 and 285 in 2011-12.
2. The variance between the 2010-11 Budget compared with the 2010-11 Estimated Actual has occurred through a significantly lower weed cover being recorded in the high management areas than previously expected, due to more effective weed control programs coupled with lower winter rainfall.

Services and Key Efficiency Indicators

1: Customer Service and Cultural Heritage

Enhancing and promoting recreational and tourist resources and facilities by maintaining Kings Park and Botanic Garden; enhancing and promoting awareness and understanding of Kings Park, Bold Park and the State's Botanic Garden through customer awareness and education forums; and conserving, promoting and developing cultural heritage including Indigenous, colonial and contemporary heritage by staging events and displays on the Authority's designated land.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 14,522	\$'000 8,460	\$'000 11,606	\$'000 9,694	
Less Income.....	6,063	3,084	5,192	3,112	
Net Cost of Service	8,459	5,376	6,414	6,582	
Employees (Full Time Equivalents)	58	63	59	63	
Efficiency Indicators					
Average Cost per Visitor to Kings Park and Botanic Garden ^(a)	\$2.38	\$1.21	\$1.42	\$1.42	1
Average Cost per Attendee at Cultural Events held in Kings Park and Botanic Garden.....	\$0.14	\$0.10	\$0.16	\$0.16	2
Average Cost per Attendee at Education Forums held at Kings Park and Botanic Garden.....	\$1.31	\$1.16	\$1.62	\$1.65	3
Response Times for Public Information Requests.....	98% within 28 days	95% within 28 days	95% within 28 days	95% within 28 days	
Change in Number of Visitors to Reabold Hill Compared to Previous Year	25%	3%	3%	3%	

(a) The average cost per visitor to Kings Park and Botanic Garden is normalised to exclude 'one-off' major spending changes incurred during the actual and estimated periods.

Explanation of Significant Movements

(Notes)

1. Average cost per visitor for 2010-11 Estimated Actual and 2011-12 Budget Target has increased compared with 2010-11 Budget due to both an increase in Net Cost of Service and decrease in visitation for 2010-11.
2. Average cost per attendee forecast for 2010-11 Budget was based on a higher level of visitation than has occurred. 2011-12 Budget Target of \$0.16 is consistent with long-term trend for this indicator.
3. Average cost per attendee has increased due to a decrease in actual and forecast attendance, together with an increase in the cost of delivery.

2: Biodiversity Conservation and Scientific Research

Demonstrating leadership in urban bushland management, especially for Perth and regional communities, horticultural services including new plants developed for the nursery trade, and undertaking and promoting leading edge science and interpretation pertinent to integrated conservation of flora for present and future generations.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 9,944	\$'000 7,596	\$'000 9,422	\$'000 9,480	
Less Income.....	2,911	1,200	2,824	2,547	
Net Cost of Service	7,033	6,396	6,598	6,933	
Employees (Full Time Equivalents)	74	74	74	74	
Efficiency Indicators					
Average Cost of Representative Native Plant Taxa in Kings Park Bushland	\$4,181	\$2,479	\$3,201	\$4,093	1
Average Cost of the Number of Representative Native Plant Species in Bold Park.....	\$4,205	\$3,417	\$4,128	\$5,094	2
Average Cost per Research Grant Project	\$13,758	\$15,000	\$15,000	\$17,000	3
Change in Number of Refereed Scientific Publications Published per Government Funded Position Compared to Previous Year	31%	-11%	-15%	0%	4

Explanation of Significant Movements

(Notes)

1. The increase in average cost represents a return to the long-term average expenditure trend forecast for this indicator while the number of native plant taxa remains constant.
2. The increase in average cost is due to a forecast increase in expenditure while the number of native plant species remains constant.
3. The increase in the average cost of these projects is due to increases in the cost of scientific staff, together with increased costs of specialised laboratory supplies and professional services to directly support these projects.
4. The fluctuation in refereed publications is a reflection of the stage and complexity of research projects in any given year.

ASSET INVESTMENT PROGRAM

The Authority's planned asset investment program for 2011-12 totals \$12.0 million. A major component of the program includes the expansion of the Fraser's complex at Kings Park to enhance and upgrade facilities to accommodate the requirements of the CHOGM Leaders' Retreat.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
Cultural and Visitor Amenity Improvements							
CHOGM - Leaders' Retreat	10,151	2,750	2,750	7,401	-	-	-
Risk Management/Public Safety Improvements							
Biodiversity Conservation Centre Stage 2	1,582	263	263	1,319	-	-	-
Nursery Depot Redevelopment	2,620	322	322	2,298	-	-	-
COMPLETED WORKS							
Asset Replacement - 2010-11 Program	585	585	585	-	-	-	-
NEW WORKS							
Asset Replacement							
2011-12 Program	975	-	-	975	-	-	-
2012-13 Program	975	-	-	-	975	-	-
2013-14 Program	1,000	-	-	-	-	1,000	-
2014-15 Program	1,000	-	-	-	-	-	1,000
Total Cost of Asset Investment Program	18,888	3,920	3,920	11,993	975	1,000	1,000
FUNDED BY							
Capital Appropriation			2,932	10,836	-	-	-
Drawdowns from the Holding Account			585	975	975	1,000	1,000
Internal Funds and Balances			403	182	-	-	-
Total Funding			3,920	11,993	975	1,000	1,000

FINANCIAL STATEMENTS**Income Statement***Expenses*

The Income Statement shows an estimated reduction in the total cost of services of \$1.9 million (-8.8%) for 2011-12 Budget Estimate compared to the 2010-11 Estimated Actual. This variance is mainly due to the expected completion of the Rio Tinto Naturescape project, for which the majority of the expenditure occurs in 2010-11.

Income

A reduction of \$2.4 million (29.4%) in total income for 2011-12 is due to once-off sponsorship funds received in 2010-11.

Statement of Financial Position

Non-current assets have increased by \$11.0 million (22.6%) primarily due to the expected completion of the expansion of the Fraser's complex at Kings Park in 2011-12.

Statement of Cashflows

Cashflows from investing activities increases significantly for the 2011-12 Budget Estimate period due to the expansion of the Fraser's complex at Kings Park.

INCOME STATEMENT ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	9,774	9,846	9,868	10,426	10,815	11,302	11,751
Supplies and services	9,650	2,331	7,281	4,667	4,218	3,939	3,878
Accommodation	727	465	465	495	541	594	642
Depreciation and amortisation	1,215	1,110	1,110	1,120	1,120	1,130	1,130
Equipment repairs and maintenance	1,970	807	807	831	856	881	907
Other expenses	1,130	1,497	1,497	1,635	1,679	1,734	1,785
TOTAL COST OF SERVICES	24,466	16,056	21,028	19,174	19,229	19,580	20,093
Income							
Sale of goods and services	2,277	1,645	2,000	2,020	2,226	2,249	2,316
Regulatory fees and fines	880	595	752	510	422	417	400
Grants and subsidies	1,594	1,084	1,646	1,087	1,088	923	921
Other revenue	4,223	960	3,618	2,042	1,353	1,390	1,428
Total Income	8,974	4,284	8,016	5,659	5,089	4,979	5,065
NET COST OF SERVICES	15,492	11,772	13,012	13,515	14,140	14,601	15,028
INCOME FROM STATE GOVERNMENT							
Service appropriations	12,903	12,837	12,837	13,249	13,536	14,034	14,379
Resources received free of charge	21	50	50	50	50	50	50
TOTAL INCOME FROM STATE GOVERNMENT	12,924	12,887	12,887	13,299	13,586	14,084	14,429
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(2,568)	1,115	(125)	(216)	(554)	(517)	(599)
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	(2,568)	1,115	(125)	(216)	(554)	(517)	(599)

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

(b) The Full Time Equivalents (FTEs) for 2009-10 Actual, 2010-11 Estimated Actual and 2011-12 Estimates are 132, 133 and 137 respectively. In some cases the figures for 2009-10 and 2010-11 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	2,521	2,310	2,034	2,602	2,630	2,926	2,297
Restricted cash.....	4,770	2,236	4,821	3,585	3,585	3,585	3,585
Holding account receivables.....	585	975	975	975	1,000	1,000	1,000
Receivables	1,285	1,137	1,380	1,406	1,064	830	830
Other.....	990	468	990	990	990	990	990
Total current assets.....	10,151	7,126	10,200	9,558	9,269	9,331	8,702
NON-CURRENT ASSETS							
Holding account receivables.....	3,869	4,004	4,004	4,149	4,269	4,399	4,529
Property, plant and equipment.....	34,905	39,615	38,055	48,958	48,863	48,729	48,649
Other.....	7,167	6,865	6,837	6,817	6,797	6,777	6,757
Total non-current assets	45,941	50,484	48,896	59,924	59,929	59,905	59,935
TOTAL ASSETS.....	56,092	57,610	59,096	69,482	69,198	69,236	68,637
CURRENT LIABILITIES							
Employee provisions	1,342	1,417	1,402	1,463	1,523	1,523	1,523
Payables.....	339	611	351	349	449	504	504
Other.....	2,860	2,387	2,967	2,656	2,716	3,216	3,216
Total current liabilities	4,541	4,415	4,720	4,468	4,688	5,243	5,243
NON-CURRENT LIABILITIES							
Employee provisions	572	595	589	607	657	657	657
Other.....	17	17	18	18	18	18	18
Total non-current liabilities	589	612	607	625	675	675	675
TOTAL LIABILITIES	5,130	5,027	5,327	5,093	5,363	5,918	5,918
EQUITY							
Contributed equity.....	16,254	19,186	19,186	30,022	30,022	30,022	30,022
Accumulated surplus/(deficit)	18,917	16,064	18,792	18,576	18,022	17,505	16,906
Reserves	15,791	17,333	15,791	15,791	15,791	15,791	15,791
Total equity.....	50,962	52,583	53,769	64,389	63,835	63,318	62,719
TOTAL LIABILITIES AND EQUITY	56,092	57,610	59,096	69,482	69,198	69,236	68,637

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	11,853	11,727	11,727	12,129	12,416	12,904	13,249
Capital appropriation	585	2,932	2,932	10,836	-	-	-
Holding account drawdowns	675	585	585	975	975	1,000	1,000
Net cash provided by State Government	13,113	15,244	15,244	23,940	13,391	13,904	14,249
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(10,055)	(9,812)	(9,834)	(10,322)	(10,803)	(11,402)	(11,851)
Supplies and services	(9,054)	(4,637)	(9,587)	(6,163)	(4,805)	(4,456)	(5,183)
Accommodation	(672)	(465)	(465)	(495)	(541)	(594)	(642)
Other payments	(5,816)	(2,128)	(2,128)	(2,198)	(2,299)	(2,296)	(2,374)
Receipts							
Regulatory fees and fines	872	714	871	784	803	841	824
Grants and subsidies	1,594	1,085	1,647	1,087	1,084	923	921
Sale of goods and services	2,125	1,645	2,000	2,025	2,226	2,249	2,316
GST receipts	1,541	505	505	505	505	505	505
Other receipts	4,156	2,553	5,211	2,142	1,442	1,568	1,606
Net cash from operating activities	(15,309)	(10,540)	(11,780)	(12,635)	(12,388)	(12,662)	(13,878)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(2,005)	(4,102)	(3,920)	(11,993)	(975)	(1,000)	(1,000)
Proceeds from sale of non-current assets	14	20	20	20	-	54	-
Net cash from investing activities	(1,991)	(4,082)	(3,900)	(11,973)	(975)	(946)	(1,000)
NET INCREASE/(DECREASE) IN CASH HELD	(4,187)	622	(436)	(668)	28	296	(629)
Cash assets at the beginning of the reporting period	11,478	3,924	7,291	6,855	6,187	6,215	6,511
Cash assets at the end of the reporting period	7,291	4,546	6,855	6,187	6,215	6,511	5,882

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

OFFICE OF THE ENVIRONMENTAL PROTECTION AUTHORITY

PART 17 - MINISTER FOR ENVIRONMENT; WATER

DIVISION 70

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2009-10 Actual ^(a) \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 103 Net amount appropriated to deliver services.....	11,262	12,039	12,354	14,119	13,584	13,894	14,283
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975.....	105	191	48	-	-	-	-
Total appropriations provided to deliver services.....	11,367	12,230	12,402	14,119	13,584	13,894	14,283
CAPITAL							
Item 161 Capital Appropriation.....	-	45	45	104	68	146	146
TOTAL APPROPRIATIONS	11,367	12,275	12,447	14,223	13,652	14,040	14,429
EXPENSES							
Total Cost of Services	12,698	13,430	13,518	16,509	15,324	15,244	15,633
Net Cost of Services ^(b)	11,867	12,730	12,278	15,269	14,084	14,394	14,783
CASH ASSETS ^(c)	2,231	1,479	2,499	1,849	1,849	1,849	1,849

- (a) The Office of the Environmental Protection Authority (Office) took over responsibility for the former Environmental Impact Assessment and Policies Service of the Department of Environment and Conservation on 27 November 2009. To ensure cross-year comparability, the related estimated amounts have been included in the Office's 2011-12 Budget Statements.
- (b) 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.
- (c) As at 30 June each financial year.

MAJOR SPENDING CHANGES

Details of major decisions impacting on the agency's Income Statement since publication of the 2010-11 Budget to Parliament on 20 May 2010 are outlined below.

	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Enhanced Project Assessment and Strategic Support.....	222	2,254	1,446	1,489	1,489

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
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.	An efficient and effective environmental assessment and compliance system.	1. Environmental Impact Assessment and Policies 2. Environmental Compliance Audits

Service Summary

Expense	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
1. Environmental Impact Assessment and Policies	11,495	12,014	12,282	15,113	13,993	13,614	13,713
2. Environmental Compliance Audits	1,203	1,416	1,236	1,396	1,331	1,630	1,920
Total Cost of Services.....	12,698	13,430	13,518	16,509	15,324	15,244	15,633

Significant Issues Impacting the Agency

- The mineral and petroleum resource sectors continue to place increased demands on environmental impact services of the Office. Resources such as iron ore, Liquefied Natural Gas and uranium and their infrastructure requirements, especially ports, remain areas of focus for the Office.
- Enhancing the Office's project tracking systems is a high priority and this will be delivered within the context of broader information requirements.

Outcomes and Key Effectiveness Indicators ^(a)

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Outcome: An efficient and effective environmental assessment and compliance system:					
Percentage of approved projects with actual impacts not exceeding those predicted during the assessment	100%	100%	100%	100%	
Percentage of assessments that meet agreed initial timelines	n/a	80%	80%	80%	
Percentage of audited projects where all environmental conditions have been met	83%	85%	80%	80%	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. A risk-based approach is used to proactively select projects for audit each year. Improved identification of risks associated with projects is reflected in the percentage of projects audited where not all environmental conditions have been met and demonstrates effective use of resources available.

Services and Key Efficiency Indicators**1: Environmental Impact Assessment and Policies**

Manage the environmental impact assessment process and coordinate the development of policy for the Environmental Protection Authority to enable sound environmental advice to be provided to the Government, developers and the public in accordance with statutory functions.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service	\$'000 11,495	\$'000 12,014	\$'000 12,282	\$'000 15,113	1
Less Income	831	700	1,240	1,240	
Net Cost of Service	10,664	11,314	11,042	13,873	
Employees (Full Time Equivalents)	77	82	82	90	1
Efficiency Indicators					
Average Cost per Environmental Assessment	\$39,138	\$37,396	\$38,880	\$49,077	1
Average Cost per Environmental Policy Developed	\$161,669	\$189,878	\$223,362	\$263,689	1

Explanation of Significant Movements

(Notes)

1. The total cost of service, employees, average cost per environmental assessment and average cost per environmental policy developed are expected to increase in 2011-12 due to the Office's enhancement of information management systems, including a recashflow of the Project Tracking System (\$650,000 from 2010-11 to 2011-12) and increased expenditure on Enhanced Project Assessment and Strategic Support shown in the Major Spending Changes table.

2: Environmental Compliance Audits

Audit the compliance with conditions set under Ministerial approvals and undertake enforcement action as appropriate.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 1,203	\$'000 1,416	\$'000 1,236	\$'000 1,396	
Less Income.....	-	-	-	-	
Net Cost of Service	1,203	1,416	1,236	1,396	
Employees (Full Time Equivalents)	11	12	12	13	
Efficiency Indicators					
Average Cost per Environmental Audit Completed	\$22,140	\$23,604	\$24,719	\$23,264	

ASSET INVESTMENT PROGRAM

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
Technical Equipment Replacement Program	865	401	401	104	68	146	146
Total Cost of Asset Investment Program.....	865	401	401	104	68	146	146
FUNDED BY							
Capital Appropriation.....			45	104	68	146	146
Other			356	-	-	-	-
Total Funding			401	104	68	146	146

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

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	9,269	10,052	10,598	12,564	12,544	12,428	12,765
Supplies and services.....	3,128	3,328	2,780	3,805	2,640	2,676	2,728
Depreciation and amortisation.....	148	50	50	50	50	50	50
Other expenses	153	-	90	90	90	90	90
TOTAL COST OF SERVICES.....	12,698	13,430	13,518	16,509	15,324	15,244	15,633
Income							
Grants and subsidies.....	718	700	1,090	1,090	1,090	700	700
Other revenue	113	-	150	150	150	150	150
Total Income	831	700	1,240	1,240	1,240	850	850
NET COST OF SERVICES	11,867	12,730	12,278	15,269	14,084	14,394	14,783
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	11,367	12,230	12,402	14,119	13,584	13,894	14,283
Resources received free of charge	500	500	500	500	500	500	500
TOTAL INCOME FROM STATE GOVERNMENT	11,867	12,730	12,902	14,619	14,084	14,394	14,783
SURPLUS/(DEFICIENCY) FOR THE PERIOD	-	-	624	(650)	-	-	-
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	-	-	624	(650)	-	-	-

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

(b) The Full Time Equivalents (FTEs) for 2009-10 Actual, 2010-11 Estimated Actual and 2011-12 Estimates are 88, 94 and 103 respectively. In some cases the figures for 2009-10 and 2010-11 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	853	1,379	1,091	411	381	351	321
Restricted cash.....	1,222	100	1,222	1,222	1,222	1,222	1,222
Receivables	58	250	58	58	58	58	58
Total current assets.....	2,133	1,729	2,371	1,691	1,661	1,631	1,601
NON-CURRENT ASSETS							
Holding account receivables.....	545	638	611	677	743	809	875
Property, plant and equipment.....	127	389	478	532	550	646	742
Restricted cash.....	156	-	186	216	246	276	306
Total non-current assets	828	1,027	1,275	1,425	1,539	1,731	1,923
TOTAL ASSETS.....	2,961	2,756	3,646	3,116	3,200	3,362	3,524
CURRENT LIABILITIES							
Employee provisions	1,273	1,281	1,289	1,305	1,321	1,337	1,353
Payables.....	2	300	2	2	2	2	2
Other.....	471	-	471	471	471	471	471
Total current liabilities	1,746	1,581	1,762	1,778	1,794	1,810	1,826
NON-CURRENT LIABILITIES							
Employee provisions	821	625	821	821	821	821	821
Total non-current liabilities	821	625	821	821	821	821	821
TOTAL LIABILITIES	2,567	2,206	2,583	2,599	2,615	2,631	2,647
EQUITY							
Contributed equity.....	394	550	272	376	444	590	736
Accumulated surplus/(deficit)	-	-	791	141	141	141	141
Total equity.....	394	550	1,063	517	585	731	877
TOTAL LIABILITIES AND EQUITY	2,961	2,756	3,646	3,116	3,200	3,362	3,524

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	11,685	12,164	12,336	14,053	13,518	13,828	14,217
Capital appropriation.....	-	45	45	104	68	146	146
Net cash provided by State Government.....	11,685	12,209	12,381	14,157	13,586	13,974	14,363
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(8,686)	(10,036)	(10,582)	(12,548)	(12,528)	(12,412)	(12,749)
Supplies and services.....	(2,652)	(2,828)	(2,280)	(3,305)	(2,140)	(2,176)	(2,228)
Other payments.....	(425)	(340)	(430)	(430)	(430)	(430)	(430)
Receipts							
Grants and subsidies.....	718	700	1,090	1,090	1,090	700	700
GST receipts.....	208	340	340	340	340	340	340
Other receipts.....	125	-	150	150	150	150	150
Net cash from operating activities.....	(10,712)	(12,164)	(11,712)	(14,703)	(13,518)	(13,828)	(14,217)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	-	(45)	(401)	(104)	(68)	(146)	(146)
Net cash from investing activities.....	-	(45)	(401)	(104)	(68)	(146)	(146)
NET INCREASE/(DECREASE) IN CASH HELD.....	973	-	268	(650)	-	-	-
Cash assets at the beginning of the reporting period.....	-	1,479	2,231	2,499	1,849	1,849	1,849
Net cash transferred to/from other agencies.....	1,258	-	-	-	-	-	-
Cash assets at the end of the reporting period.....	2,231	1,479	2,499	1,849	1,849	1,849	1,849

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

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:

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Grants and Subsidies.....	718	700	1,090	1,090	1,090	700	700
GST Receipts.....	208	340	340	340	340	340	340
Other Receipts.....	125	-	150	150	150	150	150
TOTAL.....	1,051	1,040	1,580	1,580	1,580	1,190	1,190

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

SWAN RIVER TRUST

PART 17 - MINISTER FOR ENVIRONMENT; WATER

DIVISION 71

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 104 Net amount appropriated to deliver services.....	13,311	12,179	12,128	11,249	11,963	12,500	12,181
Total appropriations provided to deliver services	13,311	12,179	12,128	11,249	11,963	12,500	12,181
TOTAL APPROPRIATIONS	13,311	12,179	12,128	11,249	11,963	12,500	12,181
EXPENSES							
Total Cost of Services	13,968	17,181	17,096	15,031	16,030	16,425	16,601
Net Cost of Services ^(a)	9,021	12,191	11,464	10,530	12,279	13,234	13,366
CASH ASSETS ^(b)	3,178	1,591	3,856	4,641	4,392	3,687	2,437

(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 SPENDING CHANGES

Details of major decisions impacting on the agency's Income Statement since publication of the 2010-11 Budget to Parliament on 20 May 2010 are outlined below.

	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Nutrient Intervention Systems - Bayswater and Ellen Brook	-	500	900	1,200	600

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
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.	The long-term community benefit of the Swan-Canning river system is protected and enhanced.	1. Statutory Assessment of Development Proposals 2. Riverpark Management
	The ecological health of the Swan-Canning river system is protected and enhanced.	3. Development and Implementation of Environmental Management Programs 4. Communication of Environmental Information

Service Summary

Expense	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
1. Statutory Assessment of Development Proposals.....	1,215	1,393	1,099	1,439	1,534	1,573	1,589
2. Riverpark Management	2,180	2,660	2,086	2,303	2,456	2,504	2,543
3. Development and Implementation of Environmental Management Programs.....	8,983	11,726	12,596	10,040	10,708	10,982	11,089
4. Communication of Environmental Information	1,590	1,402	1,315	1,249	1,332	1,366	1,380
Total Cost of Services.....	13,968	17,181	17,096	15,031	16,030	16,425	16,601

Significant Issues Impacting the Agency

- The previous year has brought unprecedented low stream flows into Perth's rivers and tributaries. The Canning River has suffered in particular from low freshwater inflows, coupled with unusually high tidal influxes bringing marine water into normally freshwater areas. The resulting poor water quality has brought negative ecological and social consequences. Improvements to the design and operation of the Kent Street Weir on the Canning River is one solution being investigated by the Trust and the Department of Water. Another solution is to artificially boost oxygenation in the upper reaches, and the Trust will continue its work to secure the most cost effective technology to do this.
- In 2011-12 the Trust will continue directing effort to finalising the River Protection Strategy, which is a requirement under the *Swan and Canning Rivers Management Act 2006*. The Strategy is the principal mechanism to achieve essential coordination, cooperation and collaboration between key parties to manage and protect the Swan-Canning Riverpark.

- Another key issue affecting the Trust in the coming year centres on managing the diverse and increasing use of the river as a recreational, cultural and commercial asset for Western Australians and visitors. The Aquatic Use Management Framework is being developed between the Trust and the Department of Transport in an effort to share access to the waterway and surrounds. More people want to use the river for activities such as sailing, powerboating, water skiing, kite surfing, jet skiing, diving, swimming, kayaking and canoeing, rowing, fishing etc. Sometimes these activities conflict with each other and with other users and the Framework is designed to avoid conflicts now and set up a fair and coordinated approach to decision making in the future. It is anticipated that the Framework will be released for public comment in 2011-12.
- The Perth Waterfront Development is a major proposal requiring attention in 2011-12. The Trust will work closely with the Department of Planning and other government agencies on this project.

Outcomes and Key Effectiveness Indicators^(a)

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Outcome: The long-term community benefit of the Swan-Canning river system is protected and enhanced:					
Percentage of development recommendations which have attracted negative responses from the community	8%	2%	2%	2%	
Percentage of developments audited in full compliance with approval conditions	71%	100%	80%	100%	1
Outcome: The ecological health of the Swan-Canning river system is protected and enhanced:					
The extent to which management water quality targets are achieved in the Swan-Canning catchments for Phosphorous	80%	80%	80%	80%	
The extent to which management water quality targets are achieved in the Swan-Canning catchments for Nitrogen	53%	53%	53%	53%	
The extent to which management water quality targets are achieved in the Swan-Canning catchments for Chlorophyll A	0%	25%	25%	25%	
The extent to which management water quality targets are achieved in the Swan-Canning catchments for Dissolved Oxygen	25%	25%	25%	25%	
Percentage of foreshores protected and rehabilitated in relation to total area	2.15%	4.5%	0.9%	0.9%	2
Percentage of people attending environmental education programs who change their behaviours as a result	80%	80%	70%	70%	

(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 100% compliance target is aspirational. For 2010-11, the focus has continued to be on complex projects with higher risk of non-compliance.
2. The percentage of foreshores protected can change significantly depending on the type of work being done. In 2010-11, the Trust has refocused efforts on rehabilitation of river walling that can cost up to \$8,000 per linear metre compared to revegetating shorelines which is comparatively cheaper. This has reduced the percentage of foreshores being protected and rehabilitated and this is a trend that is expected to continue in 2011-12.

Services and Key Efficiency Indicators

1: Statutory Assessment of Development Proposals

Assesses development proposals to ensure community benefit and the ecological health of the rivers are protected.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 1,215	\$'000 1,393	\$'000 1,099	\$'000 1,439	1
Less Income.....	271	-	-	63	
Net Cost of Service	944	1,393	1,099	1,376	
Employees (Full Time Equivalents)	11	11	11	11	
Efficiency Indicators					
Average Cost of Application Assessed	\$3,450	\$3,918	\$3,297	\$4,317	

Explanation of Significant Movements

(Notes)

1. The estimated number of audits to be completed in 2010-11 is lower than Budgeted. In 2011-12, the Trust is directing additional funds to support initiatives in better urban water management.

2: Riverpark Management

Manages shoreline restoration, operational, recreational and commercial activities to enhance Riverpark benefit and amenity.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 2,180	\$'000 2,660	\$'000 2,086	\$'000 2,303	
Less Income.....	213	-	-	237	
Net Cost of Service	1,967	2,660	2,086	2,066	
Employees (Full Time Equivalents)	24	24	24	24	
Efficiency Indicators					
Average Cost of Audit Compliance	\$671	\$929	\$458	\$600	1
Average Cost per Tonne of Waste Removed	\$15,683	\$13,298	\$54,895	\$16,450	2

Explanation of Significant Movements

(Notes)

1. The estimated average cost of audit compliance in 2010-11 is lower than budgeted owing to an increase in the projected number of audits to be achieved in the year.
2. The estimated average cost per tonne of waste removed in 2010-11 is higher than the 2010-11 Budget as environmental conditions have not favoured weed growth. This is not expected to continue in 2011-12.

3: Development and Implementation of Environmental Management Programs

Develops and guides the environmental management programs required to protect and enhance the ecological health of the rivers.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 8,983	\$'000 11,726	\$'000 12,596	\$'000 10,040	
Less Income.....	3,988	4,536	5,125	3,754	
Net Cost of Service	4,995	7,190	7,471	6,286	
Employees (Full Time Equivalents)	13	13	13	14	
Efficiency Indicators					
Average Cost of River Monitoring per km of River Managed (approximately 156km)	\$561	\$511	\$564	\$534	
Average Cost per m ² of Foreshore Undergoing Protection and Rehabilitation Works.....	\$11.79	\$7.53	\$39.86	\$29.21	1

Explanation of Significant Movements

(Notes)

1. The increase in the average cost per square meter of foreshore protected and rehabilitated in the 2010-11 Estimated Actual and 2011-12 Budget Target compared to the 2010-11 Budget reflects the fact that this figure is heavily influenced by the type of works undertaken. Foreshores being protected have predominantly been river walling that can cost up to \$8,000 per linear metre. In other years, and when determining the 2010-11 Budget, the type of works have included a greater degree of revegetating shorelines which is comparatively cheaper and means that a greater area of shoreline can be restored per dollar.

4: Communication of Environmental Information

Informs, engages and involves stakeholders and the people of Perth in behaviour change activities to protect the Swan-Canning Riverpark.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 1,590	\$'000 1,402	\$'000 1,315	\$'000 1,249	
Less Income.....	475	454	507	447	
Net Cost of Service	1,115	948	808	802	
Employees (Full Time Equivalents)	9	9	9	9	
Efficiency Indicators					
Average Cost per Person Attending an Environmental Education Program.....	\$820	\$701	\$658	\$1,249	1

Explanation of Significant Movements

(Notes)

1. The average cost per person attending environmental education programs is estimated to rise in 2011-12 because the number of workshops proposed to be run will be reduced.

ASSET INVESTMENT PROGRAM

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
Replace Courtesy Moorings	30	10	10	10	10	-	-
COMPLETED WORKS							
Office Equipment Replacement	230	230	105	-	-	-	-
Replace Tip Truck	180	180	180	-	-	-	-
Technical Equipment Replacement	210	210	90	-	-	-	-
NEW WORKS							
Replace 2 Courtesy Moorings	10	-	-	-	-	10	-
Replace 2 Courtesy Moorings	10	-	-	-	-	-	10
Replacement of 'Noel Robins' vessel	200	-	-	-	200	-	-
Replacement of 'Wilma Vincent' vessel	110	-	-	110	-	-	-
Replacement of the 'Sea Gull' Barge	300	-	-	-	-	300	-
Replacement of Trailcraft	50	-	-	-	-	-	50
Total Cost of Asset Investment Program	1,330	630	385	120	210	310	60
FUNDED BY							
Asset Sales			60	30	50	40	10
Drawdowns from the Holding Account			110	68	135	245	25
Internal Funds and Balances			215	22	25	25	25
Total Funding			385	120	210	310	60

FINANCIAL STATEMENTS**Income Statement***Expenses*

The Income Statement is showing a \$2.1 million decrease in the 2011-12 Budget Estimate Total Cost of Services compared to the 2010-11 Estimated Actual and primarily reflects the decrease in the Healthy Rivers Action Plan grants. The decrease arises because of one-off funding amounts associated with the State's Natural Resource Management funding received in 2009-10 and 2010-11.

Income

Total Income for the 2011-12 Budget Estimate is \$4.5 million. The reduction in income, when compared to the 2010-11 Estimated Actual, is mainly due to a decrease of \$2.0 million in State Natural Resource Management funding, which is partly offset by an additional \$800,000 in Caring for our Country funding from the Commonwealth Government.

INCOME STATEMENT ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	4,970	4,865	4,845	5,040	5,242	5,439	5,712
Grants and subsidies ^(c)	3,929	4,374	6,781	3,470	3,320	3,365	3,412
Supplies and services	3,850	6,846	4,240	5,249	6,157	6,281	6,100
Accommodation	870	665	759	781	805	828	853
Depreciation and amortisation	98	104	104	114	117	111	111
Other expenses	251	327	367	377	389	401	413
TOTAL COST OF SERVICES	13,968	17,181	17,096	15,031	16,030	16,425	16,601
Income							
Sale of goods and services	126	-	-	-	-	-	-
Grants and subsidies	4,821	4,946	5,450	4,318	3,574	3,000	3,000
Other revenue	-	44	182	183	177	191	235
Total Income	4,947	4,990	5,632	4,501	3,751	3,191	3,235
NET COST OF SERVICES	9,021	12,191	11,464	10,530	12,279	13,234	13,366
INCOME FROM STATE GOVERNMENT							
Service appropriations	13,311	12,179	12,128	11,249	11,963	12,500	12,181
Resources received free of charge	157	-	40	41	42	44	45
TOTAL INCOME FROM STATE GOVERNMENT	13,468	12,179	12,168	11,290	12,005	12,544	12,226
SURPLUS/(DEFICIENCY) FOR THE PERIOD	4,447	(12)	704	760	(274)	(690)	(1,140)
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	4,447	(12)	704	760	(274)	(690)	(1,140)

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

(b) The Full Time Equivalents (FTEs) for 2009-10 Actual, 2010-11 Estimated Actual and 2011-12 Estimates are 57, 57 and 58 respectively. In some cases the figures for 2009-10 and 2010-11 may differ from previously published figures due to changes in calculation methodology.

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

Details of Controlled Grants and Subsidies

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Healthy Rivers Action Plan	3,929	4,374	6,781	3,470	3,320	3,365	3,412
TOTAL	3,929	4,374	6,781	3,470	3,320	3,365	3,412

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	2,839	777	2,433	2,258	1,883	1,808	1,808
Restricted cash.....	339	814	1,423	2,383	2,509	1,879	629
Holding account receivables.....	143	80	68	135	245	25	-
Receivables	461	197	461	461	461	462	462
Other.....	5,058	2,138	5,058	5,065	5,065	5,065	5,065
Total current assets.....	8,840	4,006	9,443	10,302	10,163	9,239	7,964
NON-CURRENT ASSETS							
Holding account receivables.....	295	319	364	343	215	301	412
Property, plant and equipment.....	1,027	782	1,434	1,386	1,404	1,708	1,743
Total non-current assets	1,322	1,101	1,798	1,729	1,619	2,009	2,155
TOTAL ASSETS.....	10,162	5,107	11,241	12,031	11,782	11,248	10,119
CURRENT LIABILITIES							
Payables.....	105	-	105	105	105	105	105
Other.....	166	476	136	166	191	347	358
Total current liabilities	271	476	241	271	296	452	463
NON-CURRENT LIABILITIES							
Total non-current liabilities	-	-	-	-	-	-	-
TOTAL LIABILITIES	271	476	241	271	296	452	463
EQUITY							
Contributed equity.....	326	227	326	326	326	326	326
Accumulated surplus/(deficit)	9,542	4,404	10,651	11,411	11,137	10,447	9,307
Other.....	23	-	23	23	23	23	23
Total equity.....	9,891	4,631	11,000	11,760	11,486	10,796	9,656
TOTAL LIABILITIES AND EQUITY	10,162	5,107	11,241	12,031	11,782	11,248	10,119

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	13,224	12,075	12,024	11,135	11,846	12,389	12,070
Holding account drawdowns	80	143	110	68	135	245	25
Net cash provided by State Government.....	13,304	12,218	12,134	11,203	11,981	12,634	12,095
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(4,594)	(4,754)	(4,734)	(4,930)	(5,132)	(5,439)	(5,712)
Grants and subsidies.....	(6,822)	(4,374)	(6,781)	(3,470)	(3,320)	(3,365)	(3,412)
Supplies and services.....	(3,688)	(6,892)	(3,961)	(5,141)	(6,052)	(5,245)	(5,114)
Accommodation	(870)	(655)	(749)	(771)	(789)	(818)	(843)
Other payments	(1,733)	(729)	(851)	(833)	(854)	(1,709)	(1,725)
Receipts							
Grants and subsidies.....	4,561	4,946	5,450	4,318	3,574	3,000	3,000
GST receipts.....	987	373	373	373	373	373	373
Other receipts	-	-	122	126	130	134	138
Net cash from operating activities.....	(12,159)	(12,085)	(11,131)	(10,328)	(12,070)	(13,069)	(13,295)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(245)	(180)	(385)	(120)	(210)	(310)	(60)
Proceeds from sale of non-current assets.....	-	37	60	30	50	40	10
Net cash from investing activities.....	(245)	(143)	(325)	(90)	(160)	(270)	(50)
CASHFLOWS FROM FINANCING ACTIVITIES							
Net cash from financing activities.....	-	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	900	(10)	678	785	(249)	(705)	(1,250)
Cash assets at the beginning of the reporting period	2,278	1,601	3,178	3,856	4,641	4,392	3,687
Cash assets at the end of the reporting period	3,178	1,591	3,856	4,641	4,392	3,687	2,437

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

ZOOLOGICAL PARKS AUTHORITY

PART 17 - MINISTER FOR ENVIRONMENT; WATER

DIVISION 72

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 105 Net amount appropriated to deliver services.....	9,338	9,727	9,727	10,166	10,716	11,061	11,332
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975.....	194	206	206	219	229	237	246
Total appropriations provided to deliver services.....	9,532	9,933	9,933	10,385	10,945	11,298	11,578
CAPITAL							
Item 162 Capital Appropriation.....	735	735	735	735	735	735	735
TOTAL APPROPRIATIONS	10,267	10,668	10,668	11,120	11,680	12,033	12,313
EXPENSES							
Total Cost of Services	20,634	20,964	21,052	21,832	23,005	23,933	24,098
Net Cost of Services ^(a)	9,098	9,019	9,022	9,053	10,811	11,407	11,070
CASH ASSETS ^(b)	4,593	3,875	4,069	4,103	2,753	2,290	2,410

(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.

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
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.	Conservation of wildlife.	1. Community Engagement and Awareness in Conservation 2. Wildlife Management, Medicine and Research

Service Summary

Expense	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
1. Community Engagement and Awareness in Conservation	18,349	18,571	18,736	19,594	20,683	21,520	21,676
2. Wildlife Management, Medicine and Research	2,285	2,393	2,316	2,238	2,322	2,413	2,422
Total Cost of Services.....	20,634	20,964	21,052	21,832	23,005	23,933	24,098

Significant Issues Impacting the Agency

- The Authority's strategic direction will continue to focus on conservation and delivering excellent visitor experiences. This includes 'breed for release' programs for threatened and endangered species, conservation education activities and fundraising for conservation and research. The Authority will continue to seek access to research and grant funding to supplement recurrent funding as well as build its commercial activities, to continue this work.
- The Authority will continue to link visitors and the community to the natural world through interpretation, public awareness, education, exhibit and facility design, and providing activities and events to attract the broadest cross section of the community.
- The Authority will continue to closely monitor the economic and social environment, and analyse and act on actual and potential impacts on visitor numbers and its broad revenue generation capacity.
- Planning over the past 12 months has provided direction for the Authority in animal exhibit and park facility projects. As a consequence, the implementation of environmental sustainability projects including solar energy production, and the implementation of an integrated water management strategy incorporating an upgrade of the Authority's water distribution infrastructure, are priorities in 2011-12. Ongoing projects such as the Sumatran Orang-utan visitor viewing, Hamadryas Baboon night-quarters and Australian Wetlands exhibits are prioritised for completion during 2011-12.

Outcomes and Key Effectiveness Indicators ^(a)

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Outcome: Conservation of wildlife:					
The Zoo as an educational/learning experience:					
- agree	94%	97%	97%	97%	
- neutral	3%	2%	2%	2%	
- disagree	2%	1%	1%	1%	
- no response.....	1%	0%	0%	0%	
Conservation of the environment:					
- agree	94%	93%	94%	94%	
- neutral	4%	4%	4%	4%	
- disagree	2%	3%	2%	2%	
- no response.....	0%	0%	0%	0%	
Number of offspring produced by threatened animals for re-introduction:					
- western swamp tortoise	33	30	46	43	1
- numbat	9	12	12	12	
- dibbler	65	50	50	50	

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

Explanation of Significant Movements

(Notes)

1. A number of young females have commenced successful breeding earlier than anticipated.

Services and Key Efficiency Indicators**1: Community Engagement and Awareness in Conservation**

Perth Zoo promotes conservation messages to the community. This is achieved by providing educational programs and publications, interpretation and information services that educate and encourage the community in conservation. Perth Zoo maximises visits to the Zoo by providing a quality and unique 'value for money' attraction in ecologically themed botanic gardens. The Zoo's commercial activities are also underpinned by conservation messages.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 18,349	\$'000 18,571	\$'000 18,736	\$'000 19,594	
Less Income.....	10,748	11,394	11,628	12,400	
Net Cost of Service	7,601	7,177	7,108	7,194	
Employees (Full Time Equivalents)	144	144	148	147	
Efficiency Indicators^(a)					
Average Cost per Visitor	\$28.89	\$29.71	\$30.22	\$31.10	

- (a) The total visitor numbers for 2009-10 Actual, 2010-11 Budget, 2010-11 Estimated Actual and 2011-12 Budget Target are 635,136, 625,000, 620,000 and 630,000 respectively.

2: Wildlife Management, Medicine and Research

The conservation of wildlife will be optimised by effective species management, high standards of animal welfare and animal husbandry, captive breeding, support for wildlife conservation, breeding for re-introduction and provision of research opportunities.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 2,285	\$'000 2,393	\$'000 2,316	\$'000 2,238	
Less Income.....	788	551	402	379	
Net Cost of Service	1,497	1,842	1,914	1,859	
Employees (Full Time Equivalents)	20	17	19	19	
Efficiency Indicators					
Research Communications Produced per FTE	1.51	1.26	1.36	1.05	

ASSET INVESTMENT PROGRAM

The asset investment program supports the strategic direction of the Authority and its long-term viability. The continuous improvement of existing Authority assets and the upgrading of exhibits and facilities are outlined in the Authority's Master Plan, 'Twenty-Twenty Vision' which was developed in 2002-03. Strategic planning over the past twelve months has set a continued direction for the Authority in planning for the upgrade of the Zoo, with a focus on environmental and business sustainability.

In addition to the annual asset investment funding from Government, internally generated funds such as corporate sponsorships and grant funds are used to support capital development projects. The 2011-12 asset investment program provides for the upgrade of exhibits and facilities which enhance visitor experiences and further the Authority's purpose. The 2011-12 projects include:

- progression to Stage II of the Authority's large photovoltaic solar energy system at Perth Zoo as part of the Perth Solar City program;
- implementation of the first stage of the integrated water management strategy, which is to be implemented over six years;
- construction of improved visitor viewing and interpretation facilities for the Sumatran Orang-utan exhibit;
- finalisation of the refurbishment of the wetlands aviary precinct including replacement of netting, foundation infrastructure, visitor boardwalks and water filtration;
- completion of the upgrade to the Hamadryas Baboon night-quarters and exhibit within the African savannah precinct; and
- progression of planning for other exhibit and facility upgrades such as for cockatoos, western swamp tortoise, medium mammal breeding, education 'Discovery and Learning' precinct and veterinary and research facilities.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
Animal Exhibits and Park Facilities - 2008-09 to 2011-12	4,962	3,267	961	1,695	-	-	-
Facilities and Equipment - Solar Energy	1,500	1,110	792	390	-	-	-
COMPLETED WORKS							
Animal Exhibits - Orang-utan Exhibit.....	1,945	1,945	863	-	-	-	-
Facilities and Equipment							
Computer Equipment - 2010-11 Program	70	70	70	-	-	-	-
Minor Equipment and Works - 2010-11 Program	120	120	120	-	-	-	-
NEW WORKS							
Animal Exhibits and Park Facilities - 2012-13 to 2015-16	9,282	-	-	-	3,027	2,085	2,085
Facilities and Equipment							
Computer Equipment							
2011-12 Program	70	-	-	70	-	-	-
2012-13 Program	70	-	-	-	70	-	-
2013-14 Program	70	-	-	-	-	70	-
2014-15 Program	70	-	-	-	-	-	70
Minor Equipment and Works							
2011-12 Program	110	-	-	110	-	-	-
2012-13 Program	115	-	-	-	115	-	-
2013-14 Program	112	-	-	-	-	112	-
2014-15 Program	130	-	-	-	-	-	130
Water Infrastructure Management Project.....	11,900	-	-	1,000	2,600	3,500	3,200
Total Cost of Asset Investment Program.....	30,526	6,512	2,806	3,265	5,812	5,767	5,485
FUNDED BY							
Capital Appropriation.....			735	735	735	735	735
Drawdowns from the Holding Account.....			970	2,020	3,620	4,520	4,220
Internal Funds and Balances.....			981	400	1,342	400	400
Other			120	110	115	112	130
Total Funding			2,806	3,265	5,812	5,767	5,485

FINANCIAL STATEMENTS

Income Statement

Expenses

The cost of services in the Income Statement of \$21.8 million is a \$0.8 million (3.7%) increase over the 2010-11 Estimated Actual. These cost increases are mainly associated with cost pressures from supplies, services and maintenance (\$348,000) as a result of planned increases to preventative maintenance programs and increased costs of service contractors. There is also an increase in employee benefit expenses (\$277,000) as a result of award rate increases and an expected rise in the annual workers' compensation insurance premium. Accommodation expenses relate to the cost of electricity and water. It is expected that the benefits of the Perth Zoo's new solar energy installation will start to deliver savings related to electricity consumption; therefore this area of expenditure is being closely monitored. Water minimisation strategies will benefit from the approved capital funding for Perth Zoo's water infrastructure, as this six year project will make a significant contribution to water management efficiencies in the long-term.

Income

The total income of \$12.8 million represents a \$749,000 (6%) increase over the 2010-11 Estimated Actual. Income from goods and services is expected to increase by \$341,000 (3.2%) and is mainly due to increases in admission charges from 1 July 2011. Income from grants is expected to decrease by \$48,000 (16%) as ongoing commitments to some existing grant funding has not been confirmed. However, the Authority will continue to negotiate and seek grant funding in support of animal breeding and research initiatives.

Other revenue is expected to increase by \$456,000 (37%) over 2010-11 due to donated assets associated with the solar energy capital project.

Statement of Financial Position

Net equity is expected to increase by \$3.4 million (7.1%) over the 2010-11 Estimated Actual. The increase in equity is the net result of assets increasing by \$3.5 million (6.9%) and liabilities increasing by \$151,000 (4.1%).

The asset increases are mainly associated with an increasing fixed asset base in buildings and infrastructure due to construction linked to the asset investment program. The building asset base will also be impacted by asset revaluations.

The increase in liabilities is due to an expected \$100,000 (8%) increase in unearned income associated with membership subscriptions. Employee provisions for annual and long service leave are also expected to increase by \$40,000 (1.8%) as a result of the impact of award rate increases.

Statement of Cashflows

The closing cash balance of \$4.1 million in 2011-12 represents an increase of \$34,000 (1%) over the estimated actual for 2010-11. It includes fundraising and sponsorship funds of the Authority that are to be used in the future for priority projects. Annual fundraising in excess of \$350,000 is expected to be on hand at the end of each year for payment as grants to external organisations in the following year on priority conservation projects. Sponsorship funds of up to \$400,000 per year are targeted to be raised and retained for direction to future projects in the asset investment program.

INCOME STATEMENT ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	11,983	12,477	12,480	12,757	13,050	13,516	13,806
Grants and subsidies ^(c)	269	358	358	383	408	408	400
Supplies and services	2,715	2,657	2,642	2,876	3,088	3,511	3,384
Accommodation	407	430	430	470	515	565	570
Depreciation and amortisation	2,519	2,228	2,228	2,318	2,650	2,750	2,800
Equipment repairs and maintenance	2,026	2,280	2,380	2,493	2,745	2,625	2,570
Other expenses	715	534	534	535	549	558	568
TOTAL COST OF SERVICES	20,634	20,964	21,052	21,832	23,005	23,933	24,098
Income							
Sale of goods and services	10,217	10,499	10,499	10,840	11,130	11,540	12,058
Grants and subsidies	432	214	299	251	191	107	60
Other revenue	887	1,232	1,232	1,688	873	879	910
Total Income	11,536	11,945	12,030	12,779	12,194	12,526	13,028
NET COST OF SERVICES	9,098	9,019	9,022	9,053	10,811	11,407	11,070
INCOME FROM STATE GOVERNMENT							
Service appropriations	9,532	9,933	9,933	10,385	10,945	11,298	11,578
TOTAL INCOME FROM STATE GOVERNMENT	9,532	9,933	9,933	10,385	10,945	11,298	11,578
SURPLUS/(DEFICIENCY) FOR THE PERIOD	434	914	911	1,332	134	(109)	508
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	434	914	911	1,332	134	(109)	508

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

(b) The Full Time Equivalents (FTEs) for 2009-10 Actual, 2010-11 Estimated Actual and 2011-12 Estimates are 164, 167 and 166 respectively. In some cases the figures for 2009-10 and 2010-11 may differ from previously published figures due to changes in calculation methodology.

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

Details of Controlled Grants and Subsidies

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
'In Situ' Conservation Program	269	358	358	383	408	408	400
TOTAL	269	358	358	383	408	408	400

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	4,187	3,520	3,613	3,597	2,197	1,684	1,804
Restricted cash.....	406	355	456	506	556	606	606
Holding account receivables.....	970	1,020	2,020	3,620	4,520	4,220	2,020
Receivables	636	773	709	797	882	902	912
Other.....	275	316	280	285	295	300	305
Total current assets.....	6,474	5,984	7,078	8,805	8,450	7,712	5,647
NON-CURRENT ASSETS							
Holding account receivables.....	7,328	8,576	7,576	6,314	4,484	3,054	3,874
Property, plant and equipment.....	15,926	17,518	16,083	16,346	17,131	17,563	18,368
Other.....	18,406	21,410	20,407	23,217	26,794	30,710	32,580
Total non-current assets	41,660	47,504	44,066	45,877	48,409	51,327	54,822
TOTAL ASSETS.....	48,134	53,488	51,144	54,682	56,859	59,039	60,469
CURRENT LIABILITIES							
Employee provisions	1,693	1,573	1,726	1,759	1,791	1,834	1,876
Payables.....	354	451	370	382	407	425	435
Other.....	1,052	1,162	1,153	1,252	1,276	1,342	1,433
Total current liabilities	3,099	3,186	3,249	3,393	3,474	3,601	3,744
NON-CURRENT LIABILITIES							
Employee provisions	450	475	456	463	469	475	505
Borrowings	12	-	-	-	-	-	-
Other.....	12	13	12	12	13	14	18
Total non-current liabilities	474	488	468	475	482	489	523
TOTAL LIABILITIES	3,573	3,674	3,717	3,868	3,956	4,090	4,267
EQUITY							
Contributed equity.....	24,535	25,270	25,270	26,005	26,740	27,475	28,210
Accumulated surplus/(deficit)	13,216	14,443	14,127	15,459	15,593	15,484	15,992
Reserves	6,810	10,101	8,030	9,350	10,570	11,990	12,000
Total equity.....	44,561	49,814	47,427	50,814	52,903	54,949	56,202
TOTAL LIABILITIES AND EQUITY	48,134	53,488	51,144	54,682	56,859	59,039	60,469

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	7,359	7,665	7,665	8,027	8,255	8,508	8,738
Capital appropriation	735	735	735	735	735	735	735
Holding account drawdowns	920	970	970	2,020	3,620	4,520	4,220
Net cash provided by State Government	9,014	9,370	9,370	10,782	12,610	13,763	13,693
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(11,797)	(12,378)	(12,381)	(12,673)	(13,014)	(13,466)	(13,707)
Grants and subsidies	(269)	(358)	(358)	(383)	(408)	(408)	(400)
Supplies and services	(2,615)	(2,670)	(2,655)	(2,860)	(3,073)	(3,466)	(3,394)
Accommodation	(389)	(430)	(430)	(470)	(515)	(565)	(560)
Other payments	(3,524)	(3,777)	(3,877)	(4,104)	(4,537)	(4,560)	(4,330)
Receipts							
Grants and subsidies	433	214	299	251	191	107	60
Sale of goods and services	10,182	10,563	10,563	10,896	11,140	11,790	12,144
GST receipts	846	928	928	1,026	1,220	1,249	1,219
Other receipts	1,038	823	823	834	848	860	880
Net cash from operating activities	(6,095)	(7,085)	(7,088)	(7,483)	(8,148)	(8,459)	(8,088)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(2,013)	(2,225)	(2,806)	(3,265)	(5,812)	(5,767)	(5,485)
Net cash from investing activities	(2,013)	(2,225)	(2,806)	(3,265)	(5,812)	(5,767)	(5,485)
CASHFLOWS FROM FINANCING ACTIVITIES							
Other proceeds	(8)	-	-	-	-	-	-
Net cash from financing activities	(8)	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	898	60	(524)	34	(1,350)	(463)	120
Cash assets at the beginning of the reporting period	3,695	3,815	4,593	4,069	4,103	2,753	2,290
Cash assets at the end of the reporting period	4,593	3,875	4,069	4,103	2,753	2,290	2,410

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

WATER

PART 17 - MINISTER FOR ENVIRONMENT; WATER

DIVISION 73

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 106 Net amount appropriated to deliver services.....	74,996	73,178	72,268	74,114	77,222	74,238	75,876
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975.....	217	225	225	233	240	247	247
Total appropriations provided to deliver services.....	75,213	73,403	72,493	74,347	77,462	74,485	76,123
ADMINISTERED TRANSACTIONS							
Item 107 Amount provided for Administered Grants, Subsidies and Other Transfer Payments	1,878	1,376	1,388	605	161	56	-
CAPITAL							
Item 163 Capital Appropriation.....	3,585	7,050	3,625	2,791	2,799	3,433	3,070
TOTAL APPROPRIATIONS	80,676	81,829	77,506	77,743	80,422	77,974	79,193
EXPENSES							
Total Cost of Services	100,828	100,881	109,671	89,138	81,484	80,892	81,938
Net Cost of Services ^(a)	82,562	74,502	68,404	73,371	74,062	73,335	74,973
CASH ASSETS ^(b)	10,103	1,429	1,047	1,249	1,400	3,001	4,602

- (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 SPENDING CHANGES

Details of major decisions impacting on the agency's Income Statement since publication of the 2010-11 Budget to Parliament on 20 May 2010 are outlined below.

	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Implementation Plan For Gascoyne Irrigation Pipeline Project	(5,000)	5,000	-	-	-
Water Licence Administration Expenses ^(a)	-	5,799	5,799	-	-
Projects funded from External Revenue	14,888	4,738	2,556	592	-

- (a) Funding for Water Licence Administration Expenses was removed from the Department's budget in 2007-08 when regulations for the introduction of licence fees were introduced into Parliament. These regulations were subsequently disallowed. The adjustment of \$5.8 million in 2011-12 and 2012-13 relates to Water Licence Administration Expenses to be funded from reinstated appropriation. It is expected that cost recovery for this service will be implemented by 2013-14.

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 ^{(a) (b)}	Services
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.	Sufficient quality water to support the needs of the community, environment and State's development.	1. Urban Water Management and Industry Services 2. Water Use Allocation and Optimisation 3. Catchment and Waterways Health

- (a) Sufficient - refers to the quantity of water and relates to the Department's role in ensuring that there is enough water to support social, environmental and economic needs.
- (b) Quality - refers to the varying standards of water quality the Department is responsible for managing and allocating for industry use, agricultural use or fit for human consumption.

Service Summary

Expense	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
1. Urban Water Management and Industry Services	36,539	35,226	41,989	36,049	33,441	33,721	34,054
2. Water Use Allocation and Optimisation	50,519	52,855	49,226	42,732	38,215	38,605	39,315
3. Catchment and Waterways Health	13,770	12,800	18,456	10,357	9,828	8,566	8,569
Total Cost of Services	100,828	100,881	109,671	89,138	81,484	80,892	81,938

Significant Issues Impacting the Agency

- The major challenge facing the Department is managing increasing demand for water in a drying climate. The 2010 winter was one of the driest on record and this has necessitated increased involvement by the Department in responding to water shortages. It has also highlighted the need for a more flexible and adaptable approach to water allocation and management. The Department has reviewed its strategic priorities to better address the needs of the State into the future.
- Despite scheme water conservation efforts including the winter sprinkler ban, a significant reduction in flows to dams and rivers, coupled with lack of groundwater recharge, has left available scheme and non-scheme water resources in the South West of the State under stress, with impacts felt by industry, agriculture and other businesses. Immediate significant dry season issues for the Department in 2011 include:
 - finding water to meet shortfalls of surface water for industry and agriculture in the South West;
 - managing licenses to allocation limits;
 - increased emergency water supply support to dryland farming communities; and
 - identifying future water sources.

- In addition, increasing demand for both potable and non-potable water in high growth areas such as the Pilbara and the Mid West have put additional demand on the Department in terms of allocation planning and licensing.
- As water systems have become close to or fully allocated, and with less water available, competition for water has become a significant management issue. New policies and procedures are being developed to allow a more market driven approach to resource allocation and existing legislation is being reviewed to assist in this process. The Department is taking a lead agency role in water supply planning and development and will strengthen its economic policy capacity in coming months to ensure efficient outcomes are realised. In addition, the Department is actively encouraging recycling and reuse approaches.
- While the South West of the State has been suffering from a shortage of rainfall, the north of the State has faced the opposite. As such, more effort is being put into floodplain management and flood mitigation in particular regions.

Outcomes and Key Effectiveness Indicators ^(a)

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Outcome: Sufficient quality water to support the needs of the community, environment and state development:					
Proportion of water resources with licensed allocations that are within the allocation limit.....	86%	85%	86%	85%	
Proportion of public water supplies covered by a drinking water source protection plan.....	80%	86%	89%	96%	1
Proportion of water resource management areas that are planned appropriate to their water resource category.....	57%	75%	58%	80%	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 estimated increase from 2010-11 Estimated Actual to 2011-12 Budget Target is due to the proposed completion of a further 10 drinking water source protection plans.
2. The decrease from 2010-11 Budget to 2010-11 Estimated Actual reflects changes to align with other priorities such as allocation plans for the lower Gascoyne. The increase from 2010-11 Estimated Actual to 2011-12 Budget Target reflects the proposed completion of an additional 13 water allocation plans appropriate to their water resource category.

Services and Key Efficiency Indicators

1: Urban Water Management and Industry Services ^(a)

Ensuring adequate urban water supplies and water services through water drainage planning, optimising available resources for urban use, drinking water source protection and the policy and regulation of water services.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 36,539	\$'000 35,226	\$'000 41,989	\$'000 36,049	
Less Income.....	5,193	16,460	21,774	10,029	1
Net Cost of Service	31,346	18,766	20,215	26,020	
Employees (Full Time Equivalents)	230	221	238	238	
Efficiency Indicators					
Average Cost per Industry Water Services Policy Instrument ^(b)	\$53,192	\$63,051	\$50,814	\$42,915	
Average Cost per Drinking Water Source Protection Plan.....	\$673,803	\$419,469	\$496,385	\$577,737	2
Average Cost per square km of Designated Proclaimed Water Supply Catchments where Salinity and Water Resource Recovery Measures are Implemented.....	\$546	\$431	\$307	\$250	
Average Cost per Drainage and Water Management Plan and Assessment	\$7,699	\$6,425	\$8,345	\$6,797	3

(a) This service is provided to urban, rural and remote areas. The term urban water management refers to the improved management of water resources by ensuring an appropriate level of consideration is given to the total water cycle at each stage of the planning system.

(b) The term 'Industry Water Services Policy Instrument' refers to the tools that need to be developed to enable the Department to provide a policy framework for efficient, reliable, quality and competitive water services to the community via water service providers such as water services subsidiary legislation, water services policies and statements, and Economic Regulation Authority submissions.

Explanation of Significant Movements

(Notes)

1. The estimated 54% decrease in 2011-12 Budget Target income compared to 2010-11 Estimated Actual is mainly attributable to the movement in funding associated with the Collie River Salinity Diversion project.
2. The estimated increase in 2011-12 Budget Target compared to 2010-11 Estimated Actual reflects a decrease in the number of plans produced as resources are diverted to more complex water source protection issues.
3. The estimated 19% decrease in 2011-12 Budget Target compared to the 2010-11 Estimated Actual is due to a reduction in Commonwealth Government and local government funding associated with floodplain management.

2: Water Use Allocation and Optimisation

Ensuring the State's water resources are managed and shared to meet social, economic, and environmental needs through the development of water allocation plans, water licensing, water accounting and trading.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	50,519	52,855	49,226	42,732	1
Less Income.....	7,275	5,990	9,222	3,610	2
Net Cost of Service	43,244	46,865	40,004	39,122	
Employees (Full Time Equivalents)	277	301	286	286	
Efficiency Indicators					
Average Cost per Allocation Plan Completed ^(a)	\$1,399,813	\$1,405,951	\$1,318,561	\$1,024,119	3
Average Time Taken (Days) to Process a License by Water Category Grouping:					
- Category 1	51	50	39	40	
- Category 2	41	60	37	40	
- Category 3	43	65	42	50	
- Category 4	46	75	50	60	4
Expenditure on Water Licence Administration:					
- Average Cost per Water Licence (All Categories)	\$2,211	\$1,790	\$2,076	\$1,786	5
- Total Number of Licences Processed by Category Grouping:					
- Category 1	1,003	1,200	938	1,000	
- Category 2	2,184	2,350	2,252	2,200	
- Category 3	4,225	4,900	5,031	5,000	
- Category 4	5,251	5,000	3,863	3,600	6

(a) The term average refers to a three year rolling average.

Explanation of Significant Movements

(Notes)

1. The estimated 13% decrease from 2010-11 Estimated Actual to 2011-12 Budget Target is mainly due to the completion of planning funded through a once off increase in consolidated funding.
2. The estimated 61% decrease in income in 2011-12 Budget Target compared to 2010-11 Estimated Actual mainly relates to the completion of additional Commonwealth Government funded projects associated with the Bureau of Meteorology, raising national water standards and Gascoyne irrigation pipeline.
3. The estimated 22% decrease in 2011-12 Budget Target compared to 2010-11 Estimated Actual is associated with the increase in number of water allocation plans to be completed in 2011-12.
4. The estimated decrease in time taken to process licences between 2010-11 Budget and 2010-11 Estimated Actual is due to resources being diverted to increase efficiency of processing renewals and low risk licences allowing more time to process Category 3 and 4 licences.
5. The estimated 14% increase in 2010-11 Estimated Actual compared to 2010-11 Budget is due to a reduction in the number of licence applications received and processed.
6. The estimated 7% decrease in the number of Category 4 licences from 2010-11 Budget to 2010-11 Estimated Actual is due to the recouping of water entitlements, amalgamation and cancellation of licences no longer being required.

3: Catchment and Waterways Health

Protecting the State's waterways and catchments through river management and recovery programs.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 13,770	\$'000 12,800	\$'000 18,456	\$'000 10,357	1
Less Income.....	5,798	3,929	10,271	2,128	2
Net Cost of Service	7,972	8,871	8,185	8,229	
Employees (Full Time Equivalents)	54	63	56	56	
Efficiency Indicators					
Average Cost per km squared of Designated Inland Rural Catchments Where Dryland Salinity Management Measures are Implemented.....	\$751	\$596	\$1,002	\$779	3
Average Cost per Waterway Management Plan Developed	\$617,220	\$471,827	\$248,716	\$583,997	4

Explanation of Significant Movements

(Notes)

1. The 44% increase in expenditure in 2010-11 Estimated Actual compared to 2010-11 Budget is largely due to one-off additional Commonwealth Government and State Natural Resource Management funding associated with salinity and waterways projects.
2. The increase in income in 2010-11 Estimated Actual compared to 2010-11 Budget is largely due to one-off additional State Natural Resource Management funding associated with salinity and waterways projects.
3. The 68% increase in expenditure in 2010-11 Estimated Actual compared to 2010-11 Budget is due to additional State Natural Resource Management funding for wheatbelt salinity.
4. The 47% decrease in 2010-11 Estimated Actual compared to 2010-11 Budget relates to the completion of additional waterway management plans. The estimated increase in 2011-12 Budget Target is due to a decrease in the number of waterway management plans.

ASSET INVESTMENT PROGRAM

The 2011-12 asset investment program will see the Department investing in infrastructure associated with water resource initiatives in the Collie-Wellington Basin to reduce salinity in Wellington Dam. The Department will also continue the program of installing, replacing and upgrading groundwater monitoring bores and river gauging stations throughout the State and its asset replacement program associated with computers and office equipment.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
Collie Desalination - Phase 2 ^(a)	5,200	700	700	4,500	-	-	-
Collie-Wellington Salinity Diversion	25,735	14,245	12,700	7,790	3,700	-	-
COMPLETED WORKS							
Computing and Office Equipment Replacement							
2010-11 Program	280	280	280	-	-	-	-
Groundwater Resources Investigation and Monitoring							
2010-11 Program	3,027	3,027	3,027	-	-	-	-
Land Acquisition - Land Purchase in Priority 1 Areas							
2010-11 Program	1,211	1,211	1,211	-	-	-	-
Replace and Maintain Monitoring Bores							
2010-11 Program	1,612	1,612	1,612	-	-	-	-
Replace and Maintain River Gauging Stations							
2010-11 Program	1,259	1,259	1,259	-	-	-	-
State-wide Metering							
2009-10 Program	1,871	1,871	432	-	-	-	-
NEW WORKS							
Computing and Office Equipment Replacement							
2011-12 Program	261	-	-	261	-	-	-
2012-13 Program	250	-	-	-	250	-	-
2013-14 Program	280	-	-	-	-	280	-
2014-15 Program	280	-	-	-	-	-	280
Groundwater Resources Investigation and Monitoring							
2011-12 Program	1,747	-	-	1,747	-	-	-
2012-13 Program	1,799	-	-	-	1,799	-	-
2013-14 Program	2,403	-	-	-	-	2,403	-
2014-15 Program	2,040	-	-	-	-	-	2,040
Land Acquisition - Land Purchase in Priority 1 Areas							
2011-12 Program	1,044	-	-	1,044	-	-	-
2012-13 Program	1,000	-	-	-	1,000	-	-
2013-14 Program	1,030	-	-	-	-	1,030	-
2014-15 Program	1,030	-	-	-	-	-	1,030
Replace and Maintain Monitoring Bores							
2011-12 Program	2,809	-	-	2,809	-	-	-
2012-13 Program	2,907	-	-	-	2,907	-	-
2013-14 Program	7,491	-	-	-	-	7,491	-
2014-15 Program	3,775	-	-	-	-	-	3,775
Replace and Maintain River Gauging Stations							
2011-12 Program	1,926	-	-	1,926	-	-	-
2012-13 Program	1,308	-	-	-	1,308	-	-
2013-14 Program	2,102	-	-	-	-	2,102	-
2014-15 Program	1,604	-	-	-	-	-	1,604
Total Cost of Asset Investment Program.....	77,281	24,205	21,221	20,077	10,964	13,306	8,729
FUNDED BY							
Capital Appropriation			3,625	2,791	2,799	3,433	3,070
Drawdowns from the Holding Account			2,200	4,996	4,465	9,873	5,659
Internal Funds and Balances			14,696	7,790	3,700	-	-
Drawdowns from Royalties for Regions Fund ^(b)			700	4,500	-	-	-
Total Funding			21,221	20,077	10,964	13,306	8,729

(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 decrease in the 2011-12 Total Cost of Services of \$20.5 million (19%), when compared to the 2010-11 Estimated Actual. This decrease is mainly attributable to a reduction in expenditure for supplies and services due to the completion of a number of State Natural Resource Management and Commonwealth Government funded projects.

Income

The Department's total income is estimated to decrease by \$25.5 million (62%) in 2011-12 when compared to 2010-11 Estimated Actual due to funding ceasing for Commonwealth Government programs associated with raising national water standards, as well as completion of Bureau of Meteorology and State Natural Resource Management projects.

Statement of Financial Position

The Department's total net asset position (Total equity) is expected to increase by \$15.3 million (6%) from 2010-11 Estimated Actual. This is mainly attributable to an increase in property, plant and equipment of \$11.6 million (6%) as a result of construction associated with the Collie river salinity diversion project.

Statement of Cashflows

In 2011-12 receipts from grants and subsidies are forecast to decrease by \$25.5 million (6%) compared to 2010-11 Estimated Actual reflecting the completion of a number of externally funded projects. However, Royalties for Regions funding provided by the State Government is forecast to increase by \$9.4 million which is associated with the Gascoyne Irrigation Pipeline and Collie Desalination - phase 2 projects.

INCOME STATEMENT ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	55,227	51,680	53,991	56,140	56,975	56,383	59,623
Grants and subsidies ^(c)	5,013	15,492	13,414	12,335	4,119	2,919	2,719
Supplies and services	24,049	20,706	29,587	7,251	5,830	6,539	4,324
Accommodation	3,948	4,106	4,011	4,338	4,463	4,592	4,725
Depreciation and amortisation	6,209	5,823	5,823	6,143	7,078	7,349	7,349
Other expenses	6,382	3,074	2,845	2,931	3,019	3,110	3,198
TOTAL COST OF SERVICES	100,828	100,881	109,671	89,138	81,484	80,892	81,938
Income							
Regulatory fees and fines ^(d)	75	55	55	55	55	5,854	5,854
Grants and subsidies	14,745	25,213	40,101	14,601	6,256	592	-
Other revenue	3,446	1,111	1,111	1,111	1,111	1,111	1,111
Total Income	18,266	26,379	41,267	15,767	7,422	7,557	6,965
NET COST OF SERVICES	82,562	74,502	68,404	73,371	74,062	73,335	74,973
INCOME FROM STATE GOVERNMENT							
Service appropriations	75,213	73,403	72,493	74,347	77,462	74,485	76,123
Resources received free of charge	1,150	451	451	451	451	451	451
Royalties for regions fund ^(e)	-	6,000	1,000	6,565	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	76,363	79,854	73,944	81,363	77,913	74,936	76,574
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(6,199)	5,352	5,540	7,992	3,851	1,601	1,601
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	(6,199)	5,352	5,540	7,992	3,851	1,601	1,601

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

(b) The Full Time Equivalents (FTEs) for 2009-10 Actual, 2010-11 Estimated Actual and 2011-12 Estimates are 561, 580 and 580 respectively. In some cases the figures for 2009-10 and 2010-11 may differ from previously published figures due to changes in calculation methodology.

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

(d) The Department is expected to implement cost recovery for water resource management and planning charges in 2013-14 and beyond.

(e) Regional Infrastructure and Headworks Fund - \$0 (2009-10), \$6.0 million (2010-11), \$1.0 million (2010-11 Estimated Out Turn), \$6.6 million (2011-12), \$0 (2012-13), \$0 (2013-14), \$0 (2014-15).

Details of Controlled Grants and Subsidies

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Aboriginal Rangers Reserve 31165.....	267	-	440	-	-	-	-
Community Development Employment Project	-	232	232	232	232	200	-
Gascoyne Irrigation Pipeline	-	11,199	5,950	8,050	-	-	-
Gnangara Sustainability Strategy	738	-	-	-	-	-	-
Other grants	1,644	-	1,219	-	-	-	-
Premier's Water Foundation	911	1,260	855	318	228	-	-
Rural Water Grants	770	2,140	1,390	2,140	2,980	2,040	2,040
State Water Strategy Grants	167	267	267	267	267	267	267
State-wide Water Efficiency Measures	386	262	262	262	262	262	262
Urban Drainage	130	132	176	150	150	150	150
Urban Waterways Renewal	-	-	2,623	916	-	-	-
TOTAL.....	5,013	15,492	13,414	12,335	4,119	2,919	2,719

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	9,211	533	14	75	85	1,686	3,287
Restricted cash.....	107	74	107	107	107	107	107
Holding account receivables.....	2,200	3,734	4,996	4,465	9,873	5,659	5,659
Receivables	4,225	6,078	4,125	4,125	4,125	4,125	4,125
Other.....	1,386	831	1,386	1,386	1,386	1,386	1,386
Assets held for sale.....	5,486	-	5,486	5,486	5,486	5,486	5,486
Total current assets.....	22,615	11,250	16,114	15,644	21,062	18,449	20,050
NON-CURRENT ASSETS							
Holding account receivables.....	11,123	13,582	12,505	14,738	12,498	14,743	16,988
Property, plant and equipment.....	170,457	166,056	182,893	194,461	196,096	193,841	191,556
Intangibles	283	757	283	283	283	283	283
Restricted cash.....	785	822	926	1,067	1,208	1,208	1,208
Other.....	45,425	74,222	48,387	50,753	53,004	61,216	64,881
Total non-current assets	228,073	255,439	244,994	261,302	263,089	271,291	274,916
TOTAL ASSETS.....	250,688	266,689	261,108	276,946	284,151	289,740	294,966
CURRENT LIABILITIES							
Employee provisions	10,904	10,656	10,904	10,904	10,904	10,904	10,904
Payables.....	2,402	123	2,402	2,402	2,402	2,402	2,402
Other.....	3,764	1,164	3,764	3,764	3,764	3,764	3,764
Total current liabilities	17,070	11,943	17,070	17,070	17,070	17,070	17,070
NON-CURRENT LIABILITIES							
Employee provisions	4,517	4,680	5,072	5,627	6,182	6,737	7,292
Other.....	107	74	107	107	107	107	107
Total non-current liabilities	4,624	4,754	5,179	5,734	6,289	6,844	7,399
TOTAL LIABILITIES	21,694	16,697	22,249	22,804	23,359	23,914	24,469
EQUITY							
Contributed equity.....	231,633	239,383	235,958	243,249	246,048	249,481	252,551
Accumulated surplus/(deficit)	(16,170)	(997)	(10,630)	(2,638)	1,213	2,814	4,415
Reserves	13,531	11,606	13,531	13,531	13,531	13,531	13,531
Total equity.....	228,994	249,992	238,859	254,142	260,792	265,826	270,497
TOTAL LIABILITIES AND EQUITY	250,688	266,689	261,108	276,946	284,151	289,740	294,966

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	68,556	67,025	66,115	67,649	69,829	66,581	68,219
Capital appropriation	3,585	7,050	3,625	2,791	2,799	3,433	3,070
Holding account drawdowns	6,365	2,385	2,200	4,996	4,465	9,873	5,659
Royalties for regions fund ^(b)	-	6,700	1,700	11,065	-	-	-
Net cash provided by State Government	78,506	83,160	73,640	86,501	77,093	79,887	76,948
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(53,393)	(51,147)	(53,368)	(55,516)	(56,351)	(55,763)	(59,000)
Grants and subsidies	(4,804)	(15,492)	(13,414)	(12,335)	(4,119)	(2,919)	(2,719)
Supplies and services	(19,314)	(20,800)	(29,652)	(7,302)	(5,869)	(6,562)	(4,338)
Accommodation	(3,864)	(4,106)	(4,011)	(4,338)	(4,463)	(4,592)	(4,725)
Other payments	(8,637)	(6,207)	(6,097)	(6,198)	(6,298)	(6,401)	(6,501)
Receipts							
Regulatory fees and fines	55	55	55	55	55	5,854	5,854
Grants and subsidies	17,301	25,213	40,101	14,601	6,256	592	-
GST receipts	2,806	2,750	2,750	2,750	2,750	2,750	2,750
Other receipts	2,615	2,061	2,161	2,061	2,061	2,061	2,061
Net cash from operating activities	(67,235)	(67,673)	(61,475)	(66,222)	(65,978)	(64,980)	(66,618)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(10,135)	(22,085)	(21,221)	(20,077)	(10,964)	(13,306)	(8,729)
Net cash from investing activities	(10,135)	(22,085)	(21,221)	(20,077)	(10,964)	(13,306)	(8,729)
CASHFLOWS FROM FINANCING ACTIVITIES							
Net cash from financing activities	-	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	1,136	(6,598)	(9,056)	202	151	1,601	1,601
Cash assets at the beginning of the reporting period	8,967	8,027	10,103	1,047	1,249	1,400	3,001
Cash assets at the end of the reporting period	10,103	1,429	1,047	1,249	1,400	3,001	4,602

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

(b) Regional Infrastructure and Headworks Fund - \$0 (2009-10), \$6.7 million (2010-11), \$1.7 million (2010-11 Estimated Out Turn), \$11.1 million (2011-12), \$0 (2012-13), \$0 (2013-14), \$0 (2014-15).

DETAILS OF ADMINISTERED TRANSACTIONS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
INCOME							
Fines							
Regulatory Fines	-	25	25	25	25	25	25
Other							
Administered Appropriations	1,878	1,376	1,388	605	161	56	-
TOTAL INCOME	1,878	1,401	1,413	630	186	81	25
EXPENSES							
Grants To Charitable And Other Public Bodies							
Carnarvon Irrigation Scheme	810	765	772	493	161	56	-
Ord River Subsidy Stage 1	1,039	611	612	112	-	-	-
Receipts Paid Into Consolidated Account	-	25	25	25	25	25	25
TOTAL EXPENSES	1,849	1,401	1,409	630	186	81	25

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:

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Commonwealth Grants and Contributions	9,847	9,184	15,339	6,438	2,036	150	-
GST Receipts	2,806	2,750	2,750	2,750	2,750	2,750	2,750
Lease of Commercial Land and Buildings	275	227	227	227	227	227	227
Other Grants and Contributions.....	7,454	16,029	24,762	8,163	4,220	442	-
Other Receipts	2,340	1,834	1,934	1,834	1,834	1,834	1,834
Regulatory Fees - Receipts.....	55	55	55	55	55	5,854	5,854
TOTAL.....	22,777	30,079	45,067	19,467	11,122	11,257	10,665

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

WATER CORPORATION

ASSET INVESTMENT PROGRAM

The Corporation will spend more than \$3.6 billion in 2011-12 and over the forward estimates period on essential projects across the State recognising the ongoing need for major water and wastewater infrastructure developments. These projects are necessary to support Western Australia's growth and in many cases there is the added imperative of meeting the challenges of a changing climate.

In 2011-12 approximately \$860.7 million has been committed to projects that ensure an ongoing supply of drinking water and the development of adequate facilities to remove and treat the community's wastewater. This includes spending a further \$113.0 million to complete the Southern Seawater Desalination Plant, which will be commissioned ahead of schedule in the latter half of 2011, and \$102.4 million to progress the Mundaring Water Treatment Plant which is being developed as a Public Private Partnership. A further \$6.8 million will also be spent to continue the Groundwater Replenishment Trial.

During 2011-12 and 2012-13, \$140.6 million will be spent to support the development of water and wastewater distribution infrastructure across the metropolitan area to facilitate Perth's rapidly growing land development requirements.

Under the Pilbara Cities initiative, \$42.0 million will be spent relocating the Port Hedland Wastewater Treatment Plant. Other projects that will be undertaken in the area include improving wastewater capacity in Karratha and increasing water source capacity in Port Hedland.

Outside Collie, \$65.0 million will be spent to upgrade and refurbish an existing pipeline that will transport water from Wellington Dam in the South West to an off take pipe seven kilometres from the Shotts Industrial Park. This will support the Perdaman Collie Urea Project and also provide a reliable industrial water supply to tenants of the Industrial Park.

Across the regions, \$268.0 million has been committed to dozens of smaller projects that will maintain or improve water and wastewater treatment services. The infill sewerage program will also be extended with \$5.0 million per annum being spent in 2011-12 and 2012-13 in regional areas.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
Capitalised Borrowings Costs	243,092	49,700	49,700	36,027	35,834	43,721	45,563
Corporate Programs							
Infill Sewerage Program.....	114,448	39,448	25,000	25,000	25,000	25,000	-
Wastewater Program							
Country Wastewater Treatment and Conveyance	263,628	57,255	36,974	68,226	79,329	40,055	18,763
East Rockingham Wastewater Scheme	302,501	58,301	3,400	3,500	35,000	140,700	65,000
Metropolitan Wastewater Treatment and Conveyance ...	364,283	79,338	38,144	56,282	83,631	77,086	67,946
Water Programs							
Country Water Sources and Distribution	1,118,218	231,928	88,509	178,045	206,267	244,103	257,875
Metropolitan Water Sources and Distribution.....	253,793	75,479	22,628	32,628	38,255	42,125	65,306
Southern Seawater Desalination Plant	955,303	842,285	312,080	113,018	-	-	-
East Metropolitan - Mundaring Water Treatment Plant	330,903	35,296	35,296	102,394	178,315	10,432	4,466
North Metropolitan - Carabooda Storage Reservoir	19,984	9,000	9,000	10,984	-	-	-
Regulated Program Future Estimates							
Global Allocations - Regulated Business	5,697,942	306,687	221,196	160,218	222,899	215,046	327,539
South Metropolitan							
Southern Seawater Desalination Second Intake Tunnel	18,400	15,640	15,640	2,760	-	-	-
South West							
Picton Water Treatment Plant - Stage 1.....	40,179	27,336	16,756	12,843	-	-	-
Wellington Dam Remedial Works.....	42,733	35,733	20,698	7,000	-	-	-
Strategic Programs							
Commercial Program - Minor Commercial Projects	21,930	17,930	1,000	1,000	1,000	1,000	1,000
Wastewater Program - Groundwater Replenishment Trial	60,483	49,183	5,383	6,800	4,500	-	-
Support Programs - Capital Overheads							
Capital Support Cost.....	264,766	127,205	33,155	33,637	34,604	34,015	35,305
Wheatbelt							
Cunderdin Water Pump Station Replacement	15,319	14,944	7,644	375	-	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COMPLETED WORKS							
Peel - Ravenswood Transfer Pump Station	53,643	53,643	16,393	-	-	-	-
NEW WORKS							
Corporate Programs - Regional Infill Sewerage Program	10,000	-	-	5,000	5,000	-	-
Pilbara - Port Hedland Wastewater Treatment Plant Relocation ^(a)	42,000	-	-	5,000	18,000	19,000	-
Total Cost of Asset Investment Program.....	10,233,548	2,126,331	958,596	860,737	967,634	892,283	888,763
FUNDED BY							
Borrowings			525,000	430,000	450,000	395,000	385,000
Internal Funds and Balances.....			431,639	430,737	517,634	497,283	503,763
Drawdowns from Royalties for Regions Fund ^(b)			1,957	-	-	-	-
Total Funding			958,596	860,737	967,634	892,283	888,763

(a) Capital works funded from the Royalties for Regions Fund.

(b) Regional Infrastructure and Headworks Fund.

BUNBURY WATER BOARD

ASSET INVESTMENT PROGRAM

The asset investment program of Bunbury Water Board (Aqwest) for 2011-12 and the forward estimates period is \$13.5 million. The program seeks to ensure that Aqwest's production and distribution systems are well equipped to cater for long-term growth.

Aqwest plans to decommission a number of water treatment plants along the coast of Bunbury, as a result of increasing salinity and in accordance with the Department of Water's recommendations. To supplement this, a major project totalling \$8.9 million from 2010-11 to 2013-14 is the design and construction of a new pump station, treatment plant and storage facility in the developing suburb of Glen Iris.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COMPLETED WORKS							
Land Purchase							
2009-10 Program	857	857	850	-	-	-	-
Buildings	79	79	75	-	-	-	-
Mains Subdivisions - 2010-11 Program	22	22	22	-	-	-	-
Plant and Other Purchases - 2010-11 Program	414	414	414	-	-	-	-
Works							
Distribution and Reticulation - 2010-11 Program	2,013	2,013	2,013	-	-	-	-
Reservoirs							
2009-10 Program	1,250	1,250	1,065	-	-	-	-
2010-11 Program	495	495	495	-	-	-	-
Treatment Plants - 2010-11 Program	1,238	1,238	1,238	-	-	-	-
NEW WORKS							
Mains Subdivisions							
2011-12 Program	22	-	-	22	-	-	-
2012-13 Program	23	-	-	-	23	-	-
2013-14 Program	24	-	-	-	-	24	-
2014-15 Program	234	-	-	-	-	-	24
Plant and Other Purchases							
2011-12 Program	442	-	-	442	-	-	-
2012-13 Program	450	-	-	-	450	-	-
2013-14 Program	425	-	-	-	-	425	-
2014-15 Program	2,417	-	-	-	-	-	317
Works							
Distribution and Reticulation							
2011-12 Program	1,356	-	-	1,356	-	-	-
2012-13 Program	898	-	-	-	898	-	-
2013-14 Program	826	-	-	-	-	826	-
2014-15 Program	15,095	-	-	-	-	-	1,095
Treatment Plants							
2011-12 Program	534	-	-	534	-	-	-
2012-13 Program	3,585	-	-	-	3,585	-	-
2013-14 Program	3,436	-	-	-	-	3,436	-
2014-15 Program	14,037	-	-	-	-	-	37
Total Cost of Asset Investment Program	50,172	6,368	6,172	2,354	4,956	4,711	1,473
FUNDED BY							
Internal Funds and Balances			6,172	2,354	4,956	4,711	1,473
Total Funding			6,172	2,354	4,956	4,711	1,473

BUSSELTON WATER BOARD

ASSET INVESTMENT PROGRAM

The Board's asset investment program totals \$17.8 million for 2011-12 and the forward estimates period. The program provides an assurance that old infrastructure will be renewed and new infrastructure created, thus maintaining water supplies in a rapidly expanding part of the State.

Highlights of the program include:

- implementation and installation of a new chlorination system;
- filter replacements and upgrades at various water treatment plants to increase the capacity of water that can be filtered;
- replacing aged asbestos mains cement pipes with new PVC pipes;
- new subdivisional mains laid as a consequence of continuing growth;
- continuing the commitment to the implementation and installation of radio frequency data logging devices; and
- a new administration building.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
WORKS IN PROGRESS							
Chlorination	3,370	3,070	3,070	-	300	-	-
COMPLETED WORKS							
Office Equipment - 2010-11 Program	33	33	33	-	-	-	-
Plant, Mobile and Other Purchases - 2010-11 Program	282	282	282	-	-	-	-
Works							
New Mains and Services - 2010-11 Program	1,370	1,370	1,370	-	-	-	-
Treatment Plants - 2010-11 Program	2,408	2,408	2,408	-	-	-	-
NEW WORKS							
New Administration Building	2,000	-	-	-	2,000	-	-
Office Equipment							
2011-12 Program	49	-	-	49	-	-	-
2012-13 Program	51	-	-	-	51	-	-
2013-14 Program	27	-	-	-	-	27	-
2014-15 Program	28	-	-	-	-	-	28
Plant, Mobile and Other Purchases							
2011-12 Program	1,234	-	-	1,234	-	-	-
2012-13 Program	588	-	-	-	588	-	-
2013-14 Program	253	-	-	-	-	253	-
2014-15 Program	175	-	-	-	-	-	175
Works							
New Mains and Services							
2011-12 Program	2,682	-	-	2,682	-	-	-
2012-13 Program	2,423	-	-	-	2,423	-	-
2013-14 Program	1,562	-	-	-	-	1,562	-
2014-15 Program	1,483	-	-	-	-	-	1,483
Treatment Plants							
2011-12 Program	1,035	-	-	1,035	-	-	-
2012-13 Program	2,314	-	-	-	2,314	-	-
2013-14 Program	888	-	-	-	-	888	-
2014-15 Program	721	-	-	-	-	-	721
Total Cost of Asset Investment Program.....	24,976	7,163	7,163	5,000	7,676	2,730	2,407
FUNDED BY							
Borrowings			2,444	-	2,000	-	-
Internal Funds and Balances			4,719	5,000	5,676	2,730	2,407
Total Funding			7,163	5,000	7,676	2,730	2,407

Part 18

Minister for Mental Health; Disability Services

SUMMARY OF PORTFOLIO APPROPRIATIONS

Page	Agency	2010-11 Budget \$' 000	2010-11 Estimated Actual \$' 000	2011-12 Budget Estimate \$' 000
883	Mental Health Commission			
	- Delivery of Services.....	506,561	486,570	527,928
	Total	506,561	486,570	527,928
891	Disability Services Commission			
	- Delivery of Services.....	432,819	433,245	486,990
	- Capital Appropriation.....	965	965	2,072
	Total	433,784	434,210	489,062
GRAND TOTAL				
	- Delivery of Services.....	939,380	919,815	1,014,918
	- Capital Appropriation.....	965	965	2,072
	Total.....	940,345	920,780	1,016,990

MENTAL HEALTH COMMISSION

PART 18 - MINISTER FOR MENTAL HEALTH; DISABILITY SERVICES

DIVISION 74

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2009-10 Actual ^(a) \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 108 Net amount appropriated to deliver services.....	419,632	506,313	486,322	527,660	563,863	574,900	603,968
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975.....	79	248	248	268	280	292	292
Total appropriations provided to deliver services.....	419,711	506,561	486,570	527,928	564,143	575,192	604,260
TOTAL APPROPRIATIONS	419,711	506,561	486,570	527,928	564,143	575,192	604,260
EXPENSES							
Total Cost of Services	418,944	508,181	490,139	531,197	566,562	577,294	606,059
Net Cost of Services ^(b)	418,942	507,511	487,534	528,728	564,143	575,192	604,260
CASH ASSETS ^(c)	4,075	800	4,861	4,061	4,061	4,061	4,061

- (a) The 2009-10 Actual has been recast to reflect machinery of government changes and full year costs of the Mental Health Commission which came to effect in 8 March 2010.
- (b) 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.
- (c) As at 30 June each financial year.

MAJOR SPENDING CHANGES

Details of major decisions impacting on the agency's Income Statement since publication of the 2010-11 Budget to Parliament on 20 May 2010 are outlined below.

	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Community Living Support Services	-	2,745	7,385	7,525	7,525
Lifeline WA	-	500	-	-	-
Transfer of Funding for Construction of the Joondalup/Rockingham Intermediate Care Units.....	(12,800)	-	-	-	-
Youth Focus	-	300	300	300	300

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
Results-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	The best possible mental health and wellbeing for every Western Australian.	1. Specialised Mental Health Admitted Patient 2. Specialised Community Mental Health

Service Summary

Expense	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
1. Specialised Mental Health Admitted Patient	204,810	231,083	245,696	261,707	279,404	284,699	298,892
2. Specialised Community Mental Health	214,134	277,098	244,443	269,490	287,158	292,595	307,167
Total Cost of Services.....	418,944	508,181	490,139	531,197	566,562	577,294	606,059

Significant Issues Impacting the Agency

Trends

- In recent years, there has been widespread evidence of the prevalence of mental illness in the community. Recent data highlights that approximately half of all West Australians (45%) will experience one or more of the common mental disorders at some point in their lifetime and one in five West Australians aged 16 to 85 (21%) have experienced one or more of the common mental disorders in the past 12 months. Mental disorders are more common early in life with the prevalence being 16% among children 4 to 11 years and rising to 26% amongst youth 16 to 24 years. Mental illness and mental health problems have a major impact on the community and a significant economic impact estimated to be \$2 billion a year for Western Australia.

Election Commitments and Mental Health Reform

- The Mental Health Commission commenced operations in March 2010 to develop a modern and effective mental health system that places individuals and their recovery at the centre of its work. The Commission has a dedicated budget and resources previously allocated to the Department of Health for mental health. The focus of the Commission is on strategic policy, planning, procurement and performance monitoring, as well as leading mental health reforms across government and whole-of-community strategies to promote mental wellbeing and reduce stigma.
- The new Mental Health 2020 Strategic Policy, based on wide ranging consultation, will provide high-level policy direction to guide planning and implementation of priority mental health reforms for the next decade. The strategic policy will highlight the importance of person-centred services and supports, connected whole-of-government and community approaches and a balanced investment in new priorities, including early intervention and community support. The capacity of the mental health sector to implement the reforms will also require targeted investment, especially in areas such as planning, workforce and quality.

- Access to social housing and community-based local supports are major barriers for many people with a mental illness to live more independently in the community, especially those people waiting to be discharged from hospital. New initiatives, commencing in 2011, will provide increased availability of public housing for people with a mental illness and increasingly personalised support packages that will provide greater opportunities for choice and control through self directed support. The relocation of inpatient beds closer to regional communities and development of sub-acute facilities will also assist patients in their transition from acute inpatient services to living at home.
- The new Mental Health Advisory Council comprising government, non-government and community representatives has been appointed to ensure that the Commission makes informed decisions, based on a wide range of advice. The 12 member Council will be fully operational from June 2011.
- Drafting of a new Mental Health Bill is underway. There are a number of complex issues such as roles and responsibilities for quality assurance that will need to reflect the new commissioning environment in Western Australia and the separation from WA Health, as well as the need to be consistent with the United Nations Convention on the Rights of People with Disabilities.
- The Ministerial Council for Suicide Prevention is currently overseeing the implementation of the Western Australian Suicide Prevention Strategy 2009-2013 launched in late 2009, which is administered by the not-for-profit organisation Centrecare, through the One Life brand. Work has advanced to engage communities and key organisations in specific Community Action Plans to reduce suicide. In addition, the Commission is working to strengthen data and early warning systems, as well as a coordinated whole-of-government response to high-priority risk areas.
- The Government's election commitment to establish and maintain a peak mental health consumer voice in Western Australia will be implemented from June 2011. This initiative is intended to strengthen the voice of consumers. In line with consumer feedback, funding will support an association established as an incorporated body with an initial focus on mental health law reform and the rights of people living with mental illness, growth in the roles of consumers and their representatives and better information and referral services.
- In the Budget, \$1.2 million has been provided to help meet increased demand by providing more counsellors for Youth Focus which is a unique independent charity that supports vulnerable young people in Western Australia by offering a range of mental health services. They provide a range of early intervention and prevention services free of charge, aimed at supporting young people and their families to overcome the issues associated with suicide, depression and self harm.
- The State Government has provided \$500,000 to Lifeline WA for the delivery of suicide telephone crisis support. The grant is the service's biggest grant from the Government and will be aimed at increasing telephone counsellors by at least 50% in the next 12 months.

National Context

- There are a number of national initiatives which impact on mental health, particularly the National Health and Hospital Reforms which provide opportunities to augment the current provision of primary care, youth and sub-acute mental health services in Western Australia through National Partnership Agreements. The proposed National Disability Insurance scheme will also be closely monitored to ascertain the inclusion of people with a mental health related disability.
- The National Healthcare Agreement prioritises a nationally consistent approach to activity-based funding for public hospitals, including mental health services. This will need to be progressed nationally and also locally with the Department of Health moving into activity-based funding and management.
- The Commission will continue to actively participate in the national mental health reform agenda through the Fourth National Mental Health Plan 2009-14 and flagship initiatives around social inclusion and children/youth.
- In March 2010, the State Government launched its \$128.7 million commitment as part of the COAG National Partnership Agreement (NPA) on Closing the Gap on Indigenous Health Outcomes. As part of this NPA, the Commission has carriage of \$22.5 million to establish the State-wide Specialist Indigenous Mental Health Service and implementation is well underway.

Outcomes and Key Effectiveness Indicators ^(a)

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Outcome: The best possible mental health and wellbeing for every Western Australian:					
Percent of contacts with community-based public mental health non-admitted services within seven days post discharge from public mental health inpatient units ^{(b) (c)}	63%	65%	66%	>=70%	
Percent of contacts with community-based public mental health non-admitted services within seven days prior to admission to a public mental health inpatient unit ^{(d) (e) (f)}	74%	65%	76%	>=70%	
Proportion of people receiving community support from non-government organisations for mental health problems ^{(g) (h)}	51%	55%	40%	45%	
Rate of suicide (see table below for available data prior to 2009-10).....	n/a	n/a	n/a	10.5	1

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

(b) This indicator only measures follow up by state public mental health services. Existing data collections do not identify consumers appropriately followed up by other providers, including mental health clinicians in the private sector and non-government organisations. A proportion of consumers refuse follow up.

(c) This indicator reports on clients with a principal diagnosis of any mental disorder who had contact with community-based public mental health non-admitted services within seven days following discharge from public mental health inpatient units. Patients leaving hospital after a psychiatric admission with a formal discharge plan, involving linkages with public community-based services and supports, are less likely to need inappropriate readmission.

(d) This indicator only measures contact prior to admission by state public mental health services. Existing data collections do not identify consumers appropriately seen by other providers, including mental health clinicians in the private sector and non-government organisations prior to admission.

(e) This indicator reports on clients with a principal diagnosis of any mental disorder who had contact with public community-based mental health non-admitted services within seven days prior to admission to a public mental health inpatient unit. Access to community-based mental health services may alleviate the need for, or assist with, improving the management of admissions to inpatient care.

(f) The methodology used to calculate the 2010-11 Estimated Actual has been refined in line with the national definition and the 2009-10 Actual figures has been backcast to enable comparison.

(g) The target population for this type of care is primarily adults living in Western Australia who have been diagnosed with mental illness and discharged from a public hospital during the last five years.

(h) Non-government organisations have been improving their ability to count individual clients receiving services thus reducing double counting within agencies. Hence fewer individuals than expected were reported as receiving services from non-government organisations and 2011-12 Budget Target has been adjusted accordingly.

Explanation of Significant Movements

(Notes)

1. Data for the rate of suicide is subject to a two to three year lag due to delays in coronial processes and availability of Australian Bureau of Statistics (ABS) data. The table below shows the latest available ABS data which indicates a small decline in the rate of suicide since 1999.

	1999 Actual	2000 Actual	2001 Actual	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Target ^(c)
Age standardised rate of suicide (per 100,000 population) ^{(a) (b)}	13.1	13.3	13.8	12.9	11.2	10.1	10.3	10.4	10.9	10.5

(a) Number of annual deaths is based on year of death.

(b) International Classification of Diseases 10 (ICD-10) codes were used to define suicide.

(c) The ABS figures for 2008 and beyond are not yet available, due to an ABS review of data release protocols.

Services and Key Efficiency Indicators

1: Specialised Mental Health Admitted Patient

Specialised mental health admitted patient services are defined as publicly-funded services with a primary function to provide admitted patient care to people with mental disorders in authorised hospitals and designated mental health inpatient units located within general hospitals.

	2009-10 Actual ^(a)	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service ^(b)	\$'000 204,810	\$'000 231,083	\$'000 245,696	\$'000 261,707	
Less Income	-	-	-	-	
Net Cost of Service	204,810	231,083	245,696	261,707	
Employees (Full Time Equivalents) ^(c)	22	23	22	23	
Efficiency Indicators					
Average Cost per Bedday in a Specialised Mental Health Unit	\$927	\$1,020	\$1,071	\$1,097	

(a) The 2009-10 Actual has been recast to reflect machinery of government changes and full year costs of the Mental Health Commission which came to effect in 8 March 2010.

(b) Includes the Commission's overheads.

(c) The number of employees relates only to the Commission.

2: Specialised Community Mental Health

Specialised community mental health is defined as those services with a primary function to provide community-based (non-admitted) care to people with mental disorders. Community mental health care comprises a range of community-based services, including emergency assessment and treatment, case management, day programs, rehabilitation, psychosocial and residential services provided by government agencies or non-government organisations.

	2009-10 Actual ^(a)	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service ^(b)	\$'000 214,134	\$'000 277,098	\$'000 244,443	\$'000 269,490	
Less Income	2	670	2,605	2,469	
Net Cost of Service	214,132	276,428	241,838	267,021	
Employees (Full Time Equivalents) ^(c)	22	24	23	24	
Efficiency Indicators					
Average Cost per Episode of Community Care Provided by Public Mental Health Services	\$1,750	\$2,108	\$1,792	\$1,912	
Average Cost per Hour for Community Support Provided by Non-Government Organisations to People with Mental Health Problems	\$61	\$101	\$74	\$82	
Average Subsidy per Bedday for People with Mental Illness Living in Community Supported Residential Accommodation	\$156	\$253	\$218	\$240	
Average Subsidy per Person to Support Residents in Metropolitan Licensed Private Psychiatric Hostels	\$6,583	\$10,920	\$8,530	\$9,361	
Cost per Capita of Providing Activities to Enhance Mental Health and Wellbeing (Illness Prevention, Promotion and Protection Activities)	\$7	\$16	\$6	\$9	

(a) The 2009-10 Actual has been recast to reflect machinery of government changes and full year costs of the Mental Health Commission which came to effect in 8 March 2010.

(b) Includes the Commission's overheads.

(c) The number of employees relates only to the Commission.

FINANCIAL STATEMENTS

Income Statement

Total Cost of Services is projected to increase by \$40.0 million in 2011-12 compared to the 2010-11 Estimated Actual. This is mainly attributed to \$27.0 million for price escalations and growth in service delivery; \$10.3 million in increased expenditure for various programs, including Closing the Gap and the Western Australian Suicide Prevention Strategy; and \$2.7 million in new funding for mental health reform initiatives.

INCOME STATEMENT ^(a) (Controlled)

	2009-10 Actual ^(b) \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(c)	4,394	6,556	6,570	6,905	7,249	7,591	7,831
Grants and subsidies ^{(d) (e)}	134	55,271	400	2,411	1,938	2,171	2,068
Accommodation	142	-	-	-	-	-	-
Mental health service delivery	413,394	440,580	477,395	513,558	549,245	559,036	586,679
Other expenses	880	5,774	5,774	8,323	8,130	8,496	9,481
TOTAL COST OF SERVICES	418,944	508,181	490,139	531,197	566,562	577,294	606,059
Income							
Grants and subsidies	-	670	2,605	2,469	2,419	2,102	1,799
Other revenue	2	-	-	-	-	-	-
Total Income	2	670	2,605	2,469	2,419	2,102	1,799
NET COST OF SERVICES	418,942	507,511	487,534	528,728	564,143	575,192	604,260
INCOME FROM STATE GOVERNMENT							
Service appropriations	419,711	506,561	486,570	527,928	564,143	575,192	604,260
Resources received free of charge	120	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	419,831	506,561	486,570	527,928	564,143	575,192	604,260
SURPLUS/(DEFICIENCY) FOR THE PERIOD	889	(950)	(964)	(800)	-	-	-
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	889	(950)	(964)	(800)	-	-	-

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

(b) The 2009-10 Actual has been recast to reflect machinery of government changes and full year costs of the Mental Health Commission which came to effect in 8 March 2010.

(c) The Full Time Equivalents (FTEs) for 2009-10 Actual, 2010-11 Estimated Actual and 2011-12 Estimates are 44, 45 and 47 respectively. In some cases the figures for 2009-10 and 2010-11 may differ from previously published figures due to changes in calculation methodology.

(d) The reduction in estimated actual expenditure for 2010-11 for Grants and Subsidies is offset with the increase to mental health service delivery line item and is a result of a reclassification of this expenditure to better reflect the nature of the payments made.

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

Details of Controlled Grants and Subsidies

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Mental Health Advisory Council.....	-	-	-	150	150	150	150
Ministerial Council on Suicide	-	-	-	100	100	100	100
Other Workforce Development Programs	134	500	150	1,411	1,438	1,671	1,568
Specialised Community Mental Health	-	54,771	-	-	-	-	-
Western Australian Association of Mental Health Consumers	-	-	-	250	250	250	250
Workforce Development - Lifeline WA	-	-	250	500	-	-	-
TOTAL.....	134	55,271	400	2,411	1,938	2,171	2,068

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	4,075	800	4,861	4,061	4,061	4,061	4,061
Total current assets.....	4,075	800	4,861	4,061	4,061	4,061	4,061
NON-CURRENT ASSETS							
Total non-current assets	-	-	-	-	-	-	-
TOTAL ASSETS.....	4,075	800	4,861	4,061	4,061	4,061	4,061
CURRENT LIABILITIES							
Employee provisions	822	685	831	831	831	831	831
Payables.....	1,341	-	1,238	1,238	1,238	1,238	1,238
Other.....	-	-	94	94	94	94	94
Total current liabilities	2,163	685	2,163	2,163	2,163	2,163	2,163
NON-CURRENT LIABILITIES							
Employee provisions	135	111	135	135	135	135	135
Total non-current liabilities	135	111	135	135	135	135	135
TOTAL LIABILITIES	2,298	796	2,298	2,298	2,298	2,298	2,298
EQUITY							
Contributed equity.....	888	954	2,638	2,638	2,638	2,638	2,638
Accumulated surplus/(deficit)	889	(950)	(75)	(875)	(875)	(875)	(875)
Total equity.....	1,777	4	2,563	1,763	1,763	1,763	1,763
TOTAL LIABILITIES AND EQUITY	4,075	800	4,861	4,061	4,061	4,061	4,061

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	419,711	506,561	486,570	527,928	564,143	575,192	604,260
Net cash provided by State Government.....	419,711	506,561	486,570	527,928	564,143	575,192	604,260
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(3,948)	(6,556)	(6,570)	(6,905)	(7,249)	(7,591)	(7,831)
Grants and subsidies.....	(134)	(55,271)	(400)	(2,411)	(1,938)	(2,171)	(2,068)
Mental health service delivery.....	(410,694)	(440,580)	(477,395)	(513,558)	(549,245)	(559,036)	(586,679)
Other payments.....	(862)	(5,774)	(5,774)	(8,323)	(8,130)	(8,496)	(9,481)
Receipts							
Grants and subsidies.....	-	670	2,605	2,469	2,419	2,102	1,799
Other receipts.....	2	-	-	-	-	-	-
Net cash from operating activities.....	(415,636)	(507,511)	(487,534)	(528,728)	(564,143)	(575,192)	(604,260)
NET INCREASE/(DECREASE) IN CASH HELD	4,075	(950)	(964)	(800)	-	-	-
Cash assets at the beginning of the reporting period	-	-	4,075	4,861	4,061	4,061	4,061
Net cash transferred to/from other agencies	-	1,750	1,750	-	-	-	-
Cash assets at the end of the reporting period	4,075	800	4,861	4,061	4,061	4,061	4,061

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

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:

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Child Protection - Street-To-Home Program							
Clinical Outreach.....	-	620	620	620	620	303	-
Disability Services Commission - Supported Accommodation Program.....	-	-	1,799	1,799	1,799	1,799	1,799
Other Funded Programs	2	50	186	50	-	-	-
TOTAL.....	2	670	2,605	2,469	2,419	2,102	1,799

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

DISABILITY SERVICES COMMISSION

PART 18 - MINISTER FOR MENTAL HEALTH; DISABILITY SERVICES

DIVISION 75

APPROPRIATIONS, EXPENSES AND CASH ASSETS

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 109 Net amount appropriated to deliver services.....	388,340	432,566	432,963	486,674	529,367	562,359	582,045
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975.....	246	253	282	316	325	335	345
Total appropriations provided to deliver services.....	388,586	432,819	433,245	486,990	529,692	562,694	582,390
CAPITAL							
Item 164 Capital Appropriation.....	463	965	965	2,072	2,864	1,860	1,700
TOTAL APPROPRIATIONS	389,049	433,784	434,210	489,062	532,556	564,554	584,090
EXPENSES							
Total Cost of Services ^(a)	484,328	538,055	542,225	610,780	666,551	712,799	747,032
Net Cost of Services ^(b)	394,951	433,541	436,505	486,432	530,884	563,909	583,560
CASH ASSETS ^(c)	7,919	8,505	6,699	9,193	9,973	10,753	11,533

- (a) The 2009-10 Actual and 2010-11 Budget figures have been adjusted for comparability purposes to account for the transfer of functions between the Disability Services Commission and WA Health as shown in the reconciliation table after the financial statements.
- (b) 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.
- (c) As at 30 June each financial year.

MAJOR SPENDING CHANGES

Details of major decisions impacting on the agency's Income Statement since publication of the 2010-11 Budget to Parliament on 20 May 2010 are outlined below.

	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Additional Indexation to the Disability Non-Government Human Services Sector	1,701	2,979	7,240	17,960	29,630
Growth Funding - Accommodation Support Services.....	-	-	6,000	6,234	6,477
Growth Funding - Preventative Support and Other Services.....	-	1,964	12,496	12,983	13,490
Western Australian Motor Industry Foundation (Vehicles Fitted with Wheelchair Hoists)	-	400	400	400	400

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
Results-Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	People with a disability access quality services and supports that enhance their personal independence and community participation.	1. Accommodation Support Services 2. Individual Support 3. Individual Coordination
	The role of family, friends and carers is actively supported and the importance of their role is recognised.	4. Family and Carer Support
	The Western Australian community's understanding and inclusion of people with a disability is enhanced.	5. Community Access and Inclusion

Service Summary

Expense	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
1. Accommodation Support Services	295,135	328,293	330,041	374,666	406,322	434,306	454,769
2. Individual Support	114,888	120,682	129,402	145,125	159,725	171,068	180,046
3. Individual Coordination	22,782	24,049	24,214	27,483	30,117	31,537	32,160
4. Family and Carer Support	49,961	63,285	56,812	61,521	68,215	73,618	77,745
5. Community Access and Inclusion	1,562	1,746	1,756	1,985	2,172	2,270	2,312
Total Cost of Services.....	484,328	538,055	542,225	610,780	666,551	712,799	747,032

Significant Issues Impacting the Agency

- Disability services continue to grow to meet the diverse and emerging needs of people with disability, their families and carers. Population growth, the decline in the availability of informal care and changing expectations all contribute to future demand. These trends are incorporated into the Commission's future demand modelling to inform planning and budget processes.
- The demand for housing, specifically universal access and modified homes, continues to outstrip supply. The Commission and Department of Housing are working together to better meet these needs. The State Government has strengthened its commitment to provide accessible housing by spending \$95.7 million over three years to build 169 homes for 340 people with disability.
- The Commission is nationally recognised as a leader in individualised and self-directed funding approaches. The existing funding and program framework is being reviewed to ensure it supports the development of flexible and effective outcomes for people with disabilities, their families and carers. Initiatives to support better individual planning and increase knowledge and capacity to self manage are being implemented through Local Area Coordination and the disability not-for-profit sector.

- Responding to and meeting people's diverse needs sometimes require the development of tailored programs to address specific needs. The Neurodegenerative Conditions Coordinated Care program is an example of such a program. Developed in partnership with not-for-profit organisations, the program provides in-home support for people with rapidly changing needs that require very timely and flexible service provision.
- More than 65% of the Commission's budget goes to disability not-for-profit organisations to deliver essential services and supports. Sustaining these dynamic partnerships and developing community capacity is vital to increase people with disability, their family and carers' full participation in and contribution to community. The Commission has restructured to provide focused effort on building community and sector capacity.
- Western Australia continues its active contribution to the multiple reform agendas occurring under the National Disability Agreement and also its commitment to implementing the recently signed National Disability Strategy.
- As an example of the Government and enterprise co-operating to meet the needs of people with disability, funding of \$400,000 to the Motor Industry Foundation from 2011-12, will enable it to increase the number of modified vehicles which it loans to families with children who have a severe or profound disability.

Outcomes and Key Effectiveness Indicators ^(a)

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Outcome: People with a disability access quality services and supports that enhance their personal independence and community participation:					
Percentage of service providers who met independently assessed quality assurance standards	n/a	n/a	69%	70%	1
Percentage of service users and/or carers who are satisfied with the service and level and quality of support	81%	85%	85%	85%	
Ratio of service users in hostels to other community accommodation options ...	1:9	1:6	1:7	1:7	
Take up rate (proportion of potential population accessing disability services, per 1,000).....	302	295	306	310	
Outcome: The role of family, friends and carers is actively supported and the importance of their role is recognised:					
Percentage of service providers who met independently assessed quality assurance standards	n/a	n/a	69%	70%	1
Percentage of services users and/or carers who are satisfied with the service and level and quality of support	78%	85%	85%	85%	
Take up rate (proportion of potential population accessing disability services, per 1,000).....	302	295	306	310	
Percentage of service users in receipt of over three months of full coordination services who have an individual service agreement	91%	93%	91%	91%	
Outcome: The Western Australian community's understanding and inclusion of people with a disability is enhanced:					
Percentage of agencies who have lodged Disability Access and Inclusion Plans with the Commission	98%	100%	100%	100%	
Percentage of key stakeholders satisfied with assistance provided on Disability Access and Inclusion Plans	77%	90%	90%	90%	
Percentage of service users and/or carers who feel included and accepted by the community as a whole ^(b)	n/a	60%	60%	65%	

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

(b) The Commission has adopted this indicator from 2010-11 onwards. Comparable historical data for 2009-10 are not available.

Explanation of Significant Movements

(Notes)

1. In July 2010, a new Quality Management Framework based on outcomes and evaluation of service points that comprise a number of service outlets, replaced the previous Standards Monitoring approach that was based on outputs and service outlets. This will provide a more rigorous process for evaluating whether quality standards are being met. However, comparable historical data for 2009-10 and the 2010-11 Budget are not available.

Services and Key Efficiency Indicators

1: Accommodation Support Services

Accommodation support services include support for people with disabilities to live in a range of accommodation options such as hostels, group homes, or their own home. Support includes personal care and assistance with independent living skills and may range from a few hours a week to 24-hour care.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 295,135	\$'000 328,293	\$'000 330,041	\$'000 374,666	1
Less Income.....	56,654	68,000	68,339	81,188	
Net Cost of Service	238,481	260,293	261,702	293,478	
Employees (Full Time Equivalents)	1,203	1,236	1,228	1,228	
Efficiency Indicators					
Average Cost per Service User Year.....	\$93,586	\$102,409	\$95,965	\$103,843	
Percentage of Services within Hourly Funding Benchmark Rate.....	86%	95%	90%	90%	

Explanation of Significant Movements

(Notes)

1. The increase in the 2011-12 Budget Target compared to the 2010-11 Estimated Actual represents growth, election commitments, indexation for disability not-for-profit organisations and Commonwealth funding under the National Disability Agreement.

2: Individual Support

Individual Support services include the provision of aids and equipment and support to people with disabilities to access positive and constructive day options, maintain health and wellbeing and develop skills and abilities.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 114,888	\$'000 120,682	\$'000 129,402	\$'000 145,125	1
Less Income.....	18,460	21,243	22,660	24,926	
Net Cost of Service	96,428	99,439	106,742	120,199	
Employees (Full Time Equivalents)	230	225	233	233	
Efficiency Indicators					
Average Cost per Service User.....	\$6,961	\$7,688	\$7,432	\$7,757	
Percentage of Services within Hourly Funding Benchmark Rate.....	76%	90%	80%	85%	

Explanation of Significant Movements

(Notes)

1. The increase in the 2011-12 Budget Target compared to the 2010-11 Estimated Actual represents growth, election commitments, indexation for disability not-for-profit organisations and Commonwealth funding under the National Disability Agreement.

3: Individual Coordination

Individual Coordination includes supports provided under Local Area Coordination, whereby local area coordinators assist people with disabilities and their families and carers to plan, organise and access supports and services which enhance their participation in and contribution to their local community. This includes support with information, advocacy and development of local networks and partnerships to make local communities more inclusive and welcoming.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 22,782	\$'000 24,049	\$'000 24,214	\$'000 27,483	1
Less Income.....	4,219	4,200	4,055	4,055	
Net Cost of Service	18,563	19,849	20,159	23,428	
Employees (Full Time Equivalents)	230	241	243	243	
Efficiency Indicators					
Average Cost per Service Contact (Information and Advocacy).....	\$71	\$52	\$72	\$74	
Average Cost per Service User (Registered Service Users)	\$2,578	\$2,636	\$2,641	\$2,920	

Explanation of Significant Movements

(Notes)

1. The increase in the 2011-12 Budget Target compared to the 2010-11 Estimated Actual represents growth and Commonwealth funding under the National Disability Agreement.

4: Family and Carer Support

Family and Carer Support includes the provision of a range of flexible family support and respite services to support families and carers in their primary care-giving role.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service.....	\$'000 49,961	\$'000 63,285	\$'000 56,812	\$'000 61,521	
Less Income.....	9,752	10,745	10,418	13,930	
Net Cost of Service	40,209	52,540	46,394	47,591	
Employees (Full Time Equivalents)	10	13	11	11	
Efficiency Indicators					
Average Cost per Service User.....	\$10,544	\$14,903	\$11,169	\$11,858	
Percentage of Services within Hourly Funding Benchmark Rate.....	85%	90%	87%	90%	

5: Community Access and Inclusion

Community Access and Inclusion includes community awareness and education about disability and the provision of support to state and local government to ensure people with disabilities can access facilities, services and supports and are included in their community.

	2009-10 Actual	2010-11 Budget	2010-11 Estimated Actual	2011-12 Budget Target	Note
Total Cost of Service	\$'000 1,562	\$'000 1,746	\$'000 1,756	\$'000 1,985	1
Less Income	292	326	248	249	
Net Cost of Service	1,270	1,420	1,508	1,736	
Employees (Full Time Equivalents)	8	8	8	8	
Efficiency Indicators					
Average Cost per Community Access and Inclusion Project/Initiative	\$11,077	\$12,044	\$11,944	\$12,977	

Explanation of Significant Movements

(Notes)

1. The increase in the 2011-12 Budget Target compared to the 2010-11 Estimated Actual represents growth funding and salary escalations.

ASSET INVESTMENT PROGRAM

The Commission's capital works expenditure for 2011-12 continues the preservation, upgrade and fit-out of the Commission's hostels, group homes, administration 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 30-6-11 \$'000	2010-11 Estimated Expenditure \$'000	2011-12 Estimated Expenditure \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COMPLETED WORKS							
Community Disability Housing Program - 2010-11	935	935	935	-	-	-	-
Computer Replacement Program - 2010-11	108	108	108	-	-	-	-
Group Homes Asset Replacement Program - 2010-11	175	175	175	-	-	-	-
Hostels Redevelopment Program - 2010-11	950	950	950	-	-	-	-
Renovation Program - 2010-11	301	301	301	-	-	-	-
NEW WORKS							
Community Disability Housing Program							
2011-12	964	-	-	964	-	-	-
2012-13	910	-	-	-	910	-	-
2013-14	900	-	-	-	-	900	-
2014-15	925	-	-	-	-	-	925
Computer Replacement Program							
2011-12	550	-	-	550	-	-	-
2013-14	800	-	-	-	-	800	-
2014-15	670	-	-	-	-	-	670
Group Homes Asset Replacement Program							
2011-12	200	-	-	200	-	-	-
2012-13	365	-	-	-	365	-	-
2013-14	300	-	-	-	-	300	-
2014-15	575	-	-	-	-	-	575
Hostels Redevelopment Program							
2011-12	450	-	-	450	-	-	-
2012-13	920	-	-	-	920	-	-
2013-14	400	-	-	-	-	400	-
Renovation Program							
2011-12	700	-	-	700	-	-	-
2012-13	669	-	-	-	669	-	-
2013-14	450	-	-	-	-	450	-
2014-15	650	-	-	-	-	-	650
Total Cost of Asset Investment Program.....	13,867	2,469	2,469	2,864	2,864	2,850	2,820
FUNDED BY							
Capital Appropriation.....			965	2,072	2,864	1,860	1,700
Drawdowns from the Holding Account.....			1,504	792	-	990	1,120
Total Funding			2,469	2,864	2,864	2,850	2,820

FINANCIAL STATEMENTS**Income Statement***Expenses*

The estimated increase in the Total Cost of Services from 2010-11 Estimated Actual to 2011-12 Budget Estimate of \$68.6 million (12.6%) is mainly represented by:

- State growth funding for accommodation and preventative support services (\$18.3 million);
- Commonwealth growth and indexation funding received under the National Disability Agreement (\$18.5 million);
- State Election commitment funding for accommodation support (\$9.6 million) and alternatives to employment (\$1.8 million); and
- Other adjustments including indexation and salary and wage increases (\$18.5 million), and funding for the Western Australian Motor Industry Foundation to fit motor vehicles with disability hoists (\$400,000).

Income

The estimated increase in total income from 2010-11 Estimated Actual to 2011-12 Budget Estimate of \$18.6 million (17.6%) is mainly due to Commonwealth growth and indexation funding received under the National Disability Agreement (\$18.5 million).

Deficiency in 2010-11 (\$2.0 million) reflects the application of the Commission's carry-over cash surplus from 2009-10 used to fund expenses for indexation and minor salary increases.

Statement of Financial Position

Decrease in cash assets (\$2.0 million) from 2009-10 Actual and 2010-11 Estimated Actual reflects the application of the Commission's carry-over cash surplus from 2009-10 used to fund expenses for indexation and minor salary increases.

Statement of Cashflows

The estimated increase in cash appropriation provided by the State Government from 2010-11 Estimated Actual to 2011-12 Budget Estimate of \$53.8 million is due to the provision of growth funding for accommodation and preventative services, election commitment funding, additional indexation funding for disability not-for-profit organisations and salary and wage increases.

INCOME STATEMENT ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	136,581	137,563	143,013	148,694	154,228	160,927	167,199
Grants and subsidies ^(c)	314,897	365,577	362,602	424,895	473,375	512,100	539,386
Supplies and services	17,090	19,910	17,917	18,072	19,160	19,217	19,866
Accommodation	8,736	7,639	9,157	9,235	9,533	9,817	9,834
Depreciation and amortisation	4,172	4,369	4,794	5,102	5,319	5,654	5,654
Other expenses	4,942	5,177	4,742	4,782	4,936	5,084	5,093
TOTAL COST OF SERVICES	486,418	540,235	542,225	610,780	666,551	712,799	747,032
Income							
Sale of goods and services	7,494	7,915	8,152	8,248	8,516	8,793	9,079
Grants and subsidies	77,618	94,099	94,568	113,100	124,151	137,097	151,393
Other revenue	4,265	2,500	3,000	3,000	3,000	3,000	3,000
Total Income	89,377	104,514	105,720	124,348	135,667	148,890	163,472
NET COST OF SERVICES	397,041	435,721	436,505	486,432	530,884	563,909	583,560
INCOME FROM STATE GOVERNMENT							
Service appropriations	390,676	434,999	433,245	486,990	529,692	562,694	582,390
Resources received free of charge	1,226	722	1,260	1,298	1,340	1,384	1,384
TOTAL INCOME FROM STATE GOVERNMENT	391,902	435,721	434,505	488,288	531,032	564,078	583,774
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(5,139)	-	(2,000)	1,856	148	169	214
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER EXTRAORDINARY ITEMS	(5,139)	-	(2,000)	1,856	148	169	214

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

(b) The Full Time Equivalents (FTEs) for 2009-10 Actual, 2010-11 Estimated Actual and 2011-12 Estimates are 1,681, 1,723 and 1,723 respectively. In some cases the figures for 2009-10 and 2010-11 may differ from previously published figures due to changes in calculation methodology.

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

Details of Controlled Grants and Subsidies

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
Grants to External Service Providers	302,901	350,382	348,898	409,483	456,255	493,272	518,850
Grants to Internal Service Providers	11,996	15,195	13,704	15,412	17,120	18,828	20,536
TOTAL	314,897	365,577	362,602	424,895	473,375	512,100	539,386

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	2,327	3,180	327	2,041	2,041	2,041	2,041
Restricted cash.....	1,692	645	1,692	1,692	1,692	1,692	1,692
Holding account receivables.....	1,504	792	792	-	-	-	-
Receivables	2,749	3,188	2,986	2,986	2,488	2,488	2,489
Other.....	901	-	-	-	-	-	-
Total current assets.....	9,173	7,805	5,797	6,719	6,221	6,221	6,222
NON-CURRENT ASSETS							
Holding account receivables.....	17,728	22,132	22,557	28,485	34,629	40,118	45,477
Property, plant and equipment.....	48,701	48,762	47,501	46,122	44,640	43,268	41,942
Intangibles	3,230	1,018	1,990	750	-	-	-
Restricted cash.....	3,900	4,680	4,680	5,460	6,240	7,020	7,800
Other.....	8,182	7,731	8,297	8,677	8,453	7,020	5,512
Total non-current assets	81,741	84,323	85,025	89,494	93,962	97,426	100,731
TOTAL ASSETS.....	90,914	92,128	90,822	96,213	100,183	103,647	106,953
CURRENT LIABILITIES							
Employee provisions	23,737	25,252	24,369	24,981	25,519	26,094	26,651
Payables.....	173	819	72	70	70	70	72
Other.....	2,304	2,202	2,480	3,068	3,193	3,748	4,266
Total current liabilities	26,214	28,273	26,921	28,119	28,782	29,912	30,989
NON-CURRENT LIABILITIES							
Employee provisions	8,585	7,991	8,821	9,086	9,381	9,686	10,001
Total non-current liabilities	8,585	7,991	8,821	9,086	9,381	9,686	10,001
TOTAL LIABILITIES	34,799	36,264	35,742	37,205	38,163	39,598	40,990
EQUITY							
Contributed equity.....	16,843	17,808	17,808	19,880	22,744	24,604	26,304
Accumulated surplus/(deficit)	(19,323)	(24,356)	(21,323)	(19,467)	(19,319)	(19,150)	(18,936)
Reserves	58,595	62,412	58,595	58,595	58,595	58,595	58,595
Total equity.....	56,115	55,864	55,080	59,008	62,020	64,049	65,963
TOTAL LIABILITIES AND EQUITY	90,914	92,128	90,822	96,213	100,183	103,647	106,953

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	385,709	429,803	427,624	481,062	523,548	556,215	575,911
Capital appropriation	463	965	965	2,072	2,864	1,860	1,700
Holding account drawdowns	1,745	1,504	1,504	792	-	990	1,120
Net cash provided by State Government	387,917	432,272	430,093	483,926	526,412	559,065	578,731
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(135,501)	(136,149)	(141,870)	(147,261)	(153,299)	(159,431)	(165,808)
Grants and subsidies	(314,897)	(365,577)	(362,602)	(424,895)	(473,375)	(512,100)	(539,386)
Supplies and services	(16,052)	(19,272)	(16,493)	(16,988)	(17,540)	(18,110)	(18,699)
Accommodation	(8,291)	(7,430)	(8,519)	(8,774)	(9,059)	(9,355)	(9,355)
Other payments	(36,022)	(42,934)	(43,604)	(50,055)	(55,148)	(60,156)	(63,888)
Receipts							
Grants and subsidies	77,618	94,099	94,568	113,100	124,151	137,097	151,393
Sale of goods and services	7,500	7,898	7,915	8,239	8,505	8,780	9,040
GST receipts	30,911	37,842	38,761	45,066	49,997	54,840	58,572
Other receipts	4,884	2,500	3,000	3,000	3,000	3,000	3,000
Net cash from operating activities	(389,850)	(429,023)	(428,844)	(478,568)	(522,768)	(555,435)	(575,131)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(6,881)	(2,469)	(2,469)	(2,864)	(2,864)	(2,850)	(2,820)
Net cash from investing activities	(6,881)	(2,469)	(2,469)	(2,864)	(2,864)	(2,850)	(2,820)
NET INCREASE/(DECREASE) IN CASH HELD	(8,814)	780	(1,220)	2,494	780	780	780
Cash assets at the beginning of the reporting period	16,733	7,725	7,919	6,699	9,193	9,973	10,753
Cash assets at the end of the reporting period	7,919	8,505	6,699	9,193	9,973	10,753	11,533

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

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

	2009-10 Actual \$'000	2010-11 Budget \$'000	2010-11 Estimated Actual \$'000	2011-12 Budget Estimate \$'000	2012-13 Forward Estimate \$'000	2013-14 Forward Estimate \$'000	2014-15 Forward Estimate \$'000
EXPENSES							
Total Cost of Services as per Income Statement.....	486,418	540,235	542,225	610,780	666,551	712,799	747,032
<i>Transfer of funding for the Brightwater Care Group to WA Health.....</i>	(2,090)	(2,180)	-	-	-	-	-
Adjusted Total Cost of Services.....	484,328	538,055	542,225	610,780	666,551	712,799	747,032
APPROPRIATIONS							
Net Amount Appropriated to Deliver Services....	390,676	434,999	433,245	486,990	529,692	562,694	582,390
<i>Transfer of funding for the Brightwater Care Group to WA Health.....</i>	(2,090)	(2,180)	-	-	-	-	-
Adjusted Net Amount Appropriated to Deliver Services	388,586	432,819	433,245	486,990	529,692	562,694	582,390

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